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No. 2085



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INTER-AMERICAN AFFAIRS

INTERNATIONAL CONFERENCE DELEGATE DISCUSSES PUERTO RICO

PA062136 Havana International Service in Spanish 0000 GMT 6 Dec 79 PA

[Interview with Ismael Davila, alternate delegate of the permanent mission of the Puerto Rican Socialist Party in Cuba to the second international conference of solidarity with Puerto Rican independence, in Havana; date not given--recorded]

[Text] [Question] What is the meaning of this event to the struggle for the independence of your country?

[Answer] The conference was a victory for the Puerto Rican patriotic forces struggling for the independence and the national liberation of our country. The participation by more than 400 delegates of national and international organization in the conference, the fact that we reviewed the victories of our struggle after the first international conference held in Havana in 1975, our victories at the United Nations after 1975 and the victory of our people at the nonaligned conference here in Havana made the conference a success.

The conference was successful not only because of the number of people who participated but because of the nature of its agreements, particularly the agreement that calls for creation of an international office that would give continuity to the agreements of the conference. This point is very important because it guarantees that the unanimous agreement to support the Puerto Rican independence will not be left as only a declaration but will be given continuity through practice and political activities at the international level over the next few years.

[Question] Where will this office be?

[Answer] This office will be in New York. There will be an office of information in Puerto Rico. We will keep our friends and allies duly informed on the day-to-day activities in the struggle for independence.

[Question] In addition to the international figures who attended the meeting in Mexico City to express support for the Puerto Rican cause, how was Mexican support evidenced?

[Answer] The Mexican people's support was evidenced not only in the attendance by a large delegation of the Mexican forces connected with the movement for peace and the other political forces, but in several cultural and political events held during the conference. Our recently released comrades Lolita Lebron, Rafael Cancel Miranda, Oscar Collazos and Irving Flores participated in some of those events, some of which were held in Mexico City, Guadalajara and Puebla. The militant support of the Mexican people was very evident.

[Question] It would be interesting to know how the conference analyzed the process of the struggle of the Puerto Rican people within the context of the struggle of the people of the Caribbean and Latin America.

[Answer] The Puerto Rican struggle for independence and national liberation was placed rightly within the international struggle against imperialism and all its forms, particularly within the struggle in the Caribbean area, which is the geopolitical area in which Puerto Rico is situated. It was precisely from that area that the conference had large delegations. There were delegates from countries such as Grenada, Santo Domingo, Jamaica, Venezuela, Nicaragua and so forth who raised their voices of support for Puerto Rico and permitted all the delegations present there to realize the importance of the Puerto Rican struggle within the context of the general struggle in the Caribbean and Latin America. It is also important to note the strong support of the U.S. people. Their large representation at the conference expressed full support for the cause of our people in their struggle for independence.

[Question] Do you have something else to add about the conference?

[Answer] It is important to stress we not only received international support for the independence of Puerto Rico but we witnessed militant solidarity against imperialism in all its forms--apartheid, Zionism and racism. The agreements and documents of the conference clearly reflect an international condemnation of imperialism. We not only received solidarity but gave solidarity to all the nations of the world which are not the frontline of the struggle against imperialism.

CSO: 3010

BRAZIL, MEXICO SIGN JOINT COOPERATION AGREEMENT

Mexico City EL DIA in Spanish 15 Nov 79 p 10

[Article by Braulio Peralta: "Joint Communique: Mexico Will Sell 20,000 Barrels Crude Daily to Brazil"]

[Text] As of January 1980, Mexico will sell Brazil 20,000 barrels daily of oil, and will consider increasing the supply, in keeping with the country's possibilities, according to the joint communique issued by the Foreign Affairs Secretariat yesterday.

The communique was signed just yesterday in Brasilia by the Mexican Foreign Minister, Jorge Castaneda and his Brazilian counterpart, Ramiro Saraiva Guerreiro, at the end of our minister's visit to Brazil.

It was pointed out in Brazil that the country regards President Jose Lopes Portillo's policy in connection with the World Energy Plan as relevant and constructive, since it will serve as a basis for all nations of the world to seek a concrete solution to energy problems.

Both foreign secretaries acknowledged that the current state of affairs between the two countries is conducive to the strengthening of relations, including the political field, that might well be transformed into consultations and formal action of mutual benefit, which might also have a salutary effect on the whole region.

Strengthening the United Nations

They also went on to stress the importance and the role of the United Nations in the maintenance of international peace and security. Special emphasis was laid on the need to strengthen the United Nations in connection with negotiations directed toward general and total disarmament under effective international supervision.

The ministers pointed out that every country in the world is entitled to achieve its full development within the international community, based on equal justice, mutual respect, the right to self-determination of its people, non-intervention in the internal and external affairs of other countries,

the barring of threats or the use of force in international relations and the peaceful solution of controversies by procedures established under international law, particularly direct negotiation between the parties involved.

Elimination of Protectionist Policies

They expressed their deep concern with the proliferation of protectionist policies by industrialized countries aimed at the developing nations. They stated that the former should set aside such policies and any others affecting the legitimate interests of the developing countries. In connection with this aspect, attention was drawn to the fact that there are constantly serious disequilibrium and disparities hindering the negotiation processes between the developed areas and those just entering on the developmental path. They stated that this situation must be overcome.

In order to achieve this, it is essential to impart greater vigor to cooperation between the developing countries as one of the basic elements for creating a new international economic order. Also underlined was the importance of Latin American integration with respect to strengthening solidarity and hastening economic and social development throughout the region.

Support was reiterated for the instruments of regional and subregional cooperation, including LAFTA, LAES, CACMY, the Cartagena Pact, the Caribbean Agreement, as well as firm political support of both Mexico and Brazil for the process of reconstruction on the basis of the continent's economic realities.

Mexican-Brazilian Agreement

In order to attain the highest possible levels of trade, Jorge Castaneda and Saraiva Guerreiro agreed to the following: to stimulate contacts between entrepreneurial agencies and businessmen, relying for this purpose on the assistance of the Mexico-Brazil Committee; to adopt measures that will smooth the way for utilization of existing reciprocal lines of credit; and, under the protection of the pertinent legislation of both countries, to strengthen the operation of the representatives of financial institutions in Mexico and Brazil, so as to provide greater backing for commercial exchanges.

They again stressed the importance of developing and extending cooperation between Brazil's Council of Nonferrous Metals and that country's Consider iron and steel mill, on the one hand, and Mexico's Coordinating Commission for the Iron and Steel Industry.

Account was also taken of the promising outlook for negotiations between the two countries with regard to a plan for industrial complementation, including the purchase by Mexico of iron ore and bauxite from Brazil, with a view to converting them, into cast iron and aluminum, in Mexico.

Insofar as the oil negotiations are concerned, Mexico undertook, as of January 1980, to sell Brazil 20,000 barrels daily, based on prospects of increased supplies of the product and in keeping with the country's possibilities. At the same time, it was hoped that Petrobras and Pemex would increase the degree of mutual cooperation, not only in the field of technical assistance but also in the exchange of information and supplementing of research data. As was pointed out, all this had been foreseen in the agreement established in 1974.

Finally, there was also an agreement on easing the way for scientific, technological and technical exchange to back up programs of economic and industrial cooperation which are developing between the two countries. Thus, during the first half of 1980, Brazil's Scientific and Technological Development Council and Mexico's National Council of Science and Technology will hold the first meeting of their respective cultural subcommittees.

The communique winds up reaffirming the fraternal friendship which is characteristic of the relations between the two countries, and points to the promising outlook for collaboration for them and the firm conviction about the lofty destiny awaiting Latin America.

Mexico Ready to Receive the Ex-Shah

According to the wire services of AFP, UPI and PL, Mexican Foreign Minister Jorge Castaneda announced at a press conference in Brasilia that Mexico was ready to welcome back the ex-shah of Iran, should he desire to return. Quoting from his statement, we cite the following: "When his treatment is completed, should he desire to return to Mexico, he will be given a tourist visa under the same conditions as before, that is, for a limited period." Castaneda added that Reza Pahlevi never had a political refugee's visa but only a tourist visa, valid for 6 months; he added, however, that "naturally it is possible to extend that visa."

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CSO: 3010

SIGWALD: PARTICIPATION OF PROVINCES IN POLITICAL DIALOG

Buenos Aires CONFIRMADO in Spanish 1 Nov 79 pp 10-11

[Interview with the governor of Cordoba, retired Gen Adolfo Sigwald;
date and place not given]

[Text] The governorship of Cordoba is not a mere administrative post. The head of the province has always exercised major influence on developments in public affairs, and retired Gen Adolfo Sigwald is no exception to this rule. In his talk with CONFIRMADO he underscored the role of the municipalities and discussed the chances for a political opening.

"Don't expect anything revolutionary; don't expect spectacular changes. I'll work without being too hasty, but without being too slow either, trying to proceed without risk so that modifications are not introduced after we are under way." That was how retired Brig Gen Adolfo Sigwald summarized his philosophy of government on 8 March on the eve of taking over the Executive Branch in Cordoba. Sigwald was assuming the post as a result of the crisis--stemming from the Economy Ministry's decision to force the provinces to make contributions to the National Treasury--that prompted the resignation of Gen Carlos Bernardo Chasseing. Born in the city of Cordoba on 27 October 1923, Sigwald entered the Military College in 1944, after playing goalie for the professional soccer team Lavalle, of San Vicente. Before becoming governor of Cordoba, he served as the army's delegate to the Inter-American Defense Board. General Sigwald granted the following exclusive interview to CONFIRMADO, in which he outlined his performance so far.

[Question] What have been the results of transferring schools and hospitals to the province?

[Answer] In general I would say that transferring federal services to the provinces, when such services are similar or identical, is always a good thing. This is the case with education and medical care, because it prevents an overlapping of government actions that are important enough to require uniform and immediate solutions. Naturally, these transfers mean that the provincial governments have to take care of the infrastructure, with the corresponding impact on budgets, which has created some difficulties, but fortunately Cordoba has been able to overcome them in the educational sector.

In the case of hospitals, we have asked that the transfer be made gradually.

[Question] Were you familiar with Cordoba's problems before you became governor?

[Answer] Even though I have been outside the country recently, I have kept quite well-informed about everything that has been going on, and specifically in connection with Cordoba as well, because I am from Cordoba and served in the military here, but mainly because of my family ties.

[Question] What has your experience in public affairs given you as a career military man?

[Answer] It is logically a new experience for a career military officer to take up a post in government, but in the end it is an extension of the vocation of service that a career in the military implicitly entails. Now then, what experience will it give me? I'll find out as soon as I leave government.

[Question] How do you evaluate your performance so far?

[Answer] I must acknowledge that I have had the good will and the cooperation in general of the various sectors and the public as a whole, and this has enabled me to operate in a framework that I regard as optimum. Therefore, I am personally satisfied with my performance so far.

[Question] This is a highly politicized province, and it has even been split into very clear-cut sectors for many years. When people talk about a gradual transfer to civilian rule, do you feel that the conditions are there, or would it be taking a step backwards?

[Answer] It is premature to judge this. One of the goals of the process is to hand over power to civilians, but this will take place when all of the conditions are present. Cordoba can be placed within this context.

[Question] What role do the municipalities play in the national reorganization process? What facilities are they accorded?

[Answer] The municipalities are assigned a fundamental role in the national reorganization process, and that is why the central government gives them preferential treatment and support. In the case of Cordoba, pursuant to Law No 5935 of 3 July 1976, the Executive Branch assumed the powers of the Deliberative Councils and the Official Auditing Departments of the province's municipalities. This law also enabled the executive to delegate the powers that he had assumed, which was done via Decrees 2630 and 4272 of 1976. Under these decrees and especially the last-mentioned one, which involves the Municipality of Cordoba, the Interior Ministry, the Secretariat of Municipal Affairs, mayors (by general agreement with secretaries), and the mayor and secretary or secretaries of the branch were delegated the power to enact ordinances. A specific order is followed in determining who will be in charge of enacting the ordinances. At present, pursuant to the national guidelines relating to the importance of the municipalities and their autonomy, studies are at a very advanced stage on the legislative reforms of the current arrangement, which will aim at delegating to the mayors and their executive departments a much greater degree of authority. Parallel to this, official auditing departments are being set up to monitor the performance of these officials. The increased powers will be granted on the basis of a classification of the municipalities in terms of their economic, demographic and cultural potential. Under the measures being sponsored to transfer major decision-making power to the municipal level, the mayors will have greater responsibilities as well as the ability to make quicker, smoother decisions, because in many cases agencies under the provincial executive will no longer intervene.

[Question] Do you feel that the performance of the inter-community agencies has been positive and why?

[Answer] The performance of the inter-community agencies has indeed been positive. When several municipalities tackle common problems on a regional basis, efforts are not spread thin, and the available resources are better utilized.

[Question] Is there any chance that capital will be moving into the province?

[Answer] Two major companies operating in the city of Cordoba have made announcements in that regard, as a matter of fact. Renault Argentina will be investing several million dollars in the Santa Isabel plant, and the Fiat truck factory in Sauce Viejo, Santa Fe will be transferred to Cordoba, to the complex based in Ferreyra.

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CSO: 3010

ARGENTINA

CORRESPONDENT HIGHLIGHTS POSITIVE EFFECTS OF MASSERA'S TRIP

Buenos Aires LA NACION in Spanish 10 Nov 79 p 3

[Article by LA NACION's Paris correspondent Luis Mario Bello]

[Text] Paris, 9 November--Retired Adm Emilio Eduardo Massera's trip to Europe concluded this weekend. Visiting the capitals of Portugal, Spain, Great Britain, the FRG, France and Italy, the former member of the Military Junta met with government officials and various political leaders.

During his brief stay in Paris Admiral Massera spoke with this reporter to convey his impressions and indicate the purpose of his trip. It was not prompted by mere professional curiosity; nor did it have a strictly political significance. Our conversation perhaps led to conclusions that could not be given a clear-cut label. In any case, if it was neither a sociological stroll nor a bid to air political ideas overseas, the only interpretation is that the former member of the Military Junta was looking for points of reference to compare the current situation in Argentina with the situation in European countries that in one way or another have maintained and maintain excellent cultural and economic ties with ours.

Admiral Massera's repeat trip to Europe could be the subject of interpretative exercises. We might speculate, for example, as to whether during his meetings he was asked questions regarding the actions of the Military Junta that he answered on its behalf or in keeping with the interests of a man who thinks in precise terms, because he realizes that no citizen ought to disdain politics. This is understandable, provided that people feel that politics, with a plurality of parties, is an irreplaceable element in democracy.

But it so happens that Adm Emilio Massera is not what you would call a political leader. He belongs to no party, as he himself has said. But this does not mean that tomorrow or the day after tomorrow he will ignore the opportunity to guide a political

movement that could head for the center of the spectrum, which is a good place from which to wink at the low-income segments of society.

My talk with Admiral Massera during his lightning visit to Paris left room for that and other conjectures. Strictly speaking, he devoted relatively little attention to this subject. To be more specific, our talk focused on the overall results of a trip that was from a certain standpoint positive.

In short, we could conclude that aside from wanting to enhance his familiarity with the fluid and changing international scene, in his get-togethers with foreign figures Admiral Massera performed the function of elucidating the Argentine situation, which from a distance looks complex, if not incomprehensible. He told me that in all of the capitals he found the people he spoke with to be understanding.

His meeting in Paris with a number of members of the National Assembly, who have so far been harsh in their judgments on the controversial issue of human rights, could have been highly enlightening. We can well understand that when a former member of the Military Junta, which has been spared no criticism, confronts a problem and personally clarifies the facts, it is more interesting than the issuance of hardly convincing official communiques.

In addition, before his departure from Paris, Admiral Massera spoke at length with Raymond Aron, a writer, essayist and keen analyst of international events. This was not the first time that the influential French man of letters, who is 100 percent a democrat, has conversed with the former member of the Argentine Military Junta. Perhaps the great journalist's files were missing the complete record on a South American military officer. Perhaps it is not mere professional curiosity; Raymond Aron is a keen observer and feels that politics is movement...

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CSO: 3010

'LA PRENSA' QUESTIONS CUBA'S PRETENSIONS TO UNSC SEAT

Buenos Aires LA PRENSA in Spanish 10 Nov 79 p 8

[Editorial: "Cuban Military Expansion"]

[Text] According to a CIA report, the number of communist agents overseas doubled in 1978; there are now an estimated 52,000 teachers, technicians and soldiers, three-fourths of whom are Cuban. The figures confirm previous assessments as to the presence of Cuban troops in various parts of the world on behalf of Soviet foreign policy. Fidel Castro has 19,000 soldiers in Angola, 16,000 in Ethiopia and smaller, but equally significant contingents in Mozambique, Guinea, Equatorial Guinea, Guinea-Bissau and elsewhere in Africa, while Cuban troops are stationed in Iraq, South Yemen and Syria in the Middle East.

The matter is beyond any doubt at this point. Castro's overseas adventure did not end with the "liberation" of Angola; that was just the beginning of a policy designed to politically destabilize several states in Africa and elsewhere around the planet. In this way, Moscow feigns non-intervention in "the internal affairs" of other countries, a mission that it instead entrusts to Castro's mercenary troops, which are trained by Soviet instructors and armed from the Kremlin's arsenals. We all know the reasons for and the circumstances surrounding the Havana regime's contribution to Soviet expansionism, which, strictly speaking, is in exchange for the Soviet Union propping up the shaky Cuban economy. Only a completely militarized regime like Castro's could be in a position to send almost 42,000 troops overseas without neglecting the country's own military requirements. Since Cuba is a country with fewer than 10 million inhabitants, more than half of whom are under age 15, with women and older people making up two-thirds of the rest, there naturally arises the question of a manpower shortage in a society that has more persons under arms than any other republic in the hemisphere, except Brazil.

Moscow is the interested patron of this militaristic and venturesome course in the Havana regime's foreign policy, and the protegee's features are becoming increasingly clear. First, the communist ideology of the Cuban Revolution appeared on the scene; second, it began to foment terrorist and guerrilla activity in Latin America, and later came Cuba's "mission of liberation" in Africa and Asia. The two latest developments that have helped to more clearly delineate the features of the regime are Castro's election as president of the bloc of nonaligned countries and Cuba's bid for a seat on the UN Security Council. The Soviet Union's continued promotion of the Castro regime has brought to the forefront of world affairs a country that, to tell the truth, has neither economic potential, nor military might, nor the political weight to play the major power role that it has been granted.

Such is the situation now that Cuba has just stated that it will maintain "indefinitely" its application for a Security Council seat and that it has decided to block "any attempt to nominate a third candidate to end the current election stalemate." Castro's pretension notwithstanding, Cuba is unfit to be a Security Council member. Nothing definite has been stipulated in this regard, but it is quite clear that the council's main mission is to deal with extremely serious situations, whether by deploying troops or not, and with matters or quarrels that represent a threat to world peace and that in many cases (Cyprus, the Sinai, Lebanon, among others) have prompted the sending of troops ("blue hats") under the UN flag. How can a country whose Moscow-assigned mission is to "export" revolution, encourage subversion and foment terrorism and guerrilla war in many UN member states be part of the Security Council? How could a lawless and discredited figure like Fidel Castro act as moderator on the council? In explaining his pretensions, Castro said that his ambitions were supported by the fact that he is the president of the group of nonaligned countries, whose members make up almost two-thirds of the UN. Not all of them have backed him, as we can gather from the 76 votes he has gotten so far. Even though Argentina is still a member of the nonaligned group, we would assume that our representative did not vote for Castro. The Foreign Ministry has declined to issue any information on the matter, arguing that this is a "secret." Nicaragua, which is drawing increasingly close to the Havana regime, had nothing against stating that it voted in Cuba's favor. For our part, we feel that the public should not be kept in the dark concerning our country's stand on a matter of the significance of Cuba's bid for a seat on the UN Security Council, at least once the vote is completed.

Any commitment to secrecy by our authorities must yield to the principle of making government actions public, a principle that emanates from the constitution and from the republican nature of our institutions.

GOVERNMENT RELEASES FULL TEXT OF NEW LABOR LAW

Buenos Aires CLARIN in Spanish 16 Nov 79 Supplement pp 1-4

[Text] Text of the Law on Trade Union Associations

I. On the Right of Association

Article 1. The workers have the right to establish trade union associations freely, in accordance with the provisions of this law; as well as the right to become members, not become members or terminate membership. These rights may not be affected by any measure aimed directly or indirectly at compulsory membership or termination of membership.

Article 2. Trade union associations of workers are considered to be those of a permanent nature established for the protection of their union and labor interests.

Article 3. The provisions of this law will apply to the trade unions established by workers who are engaged in the same industry, or in related industries, because they have mutual interests; and they may also include workers from different industries who practice the same trade, or hold the same occupation or rating.

Also covered by its provisions are the federations established by associated unions related to an industry, trade, occupation or rating.

Article 4. The graded personnel will enjoy the same rights stipulated in Article 1, but the combined grouping of graded personnel into a single trade union association of workers will not be allowed if it is not of that nature.

Article 5. The area of activity of the trade unions may include the Federal Capital or any of the provinces, the National Territory of Tierra del Fuego, Antarctica and the islands of the South Atlantic, with prior permission from the enforcing authority.

When the economic structure of the province or region, that of the aforementioned associations and the industry which they represent so advise, at the petition of the party concerned and with prior permission from the enforcing authority, the area of activity may be assigned to a certain region.

When a trade union includes public service personnel, or when the small number of workers in the industry so warrants, the enforcing authority may give permission for its activity throughout the entire country.

The area of activity of the federation will result from the areas of activity of the affiliated unions with trade union status.

In the national area, there may be more than one federation for each industry, trade, occupation or rating, without territorial superposition.

The minimal area of activity of the trade union associations will be based on its economic development and the features of the association, for the purpose of insuring proper representation of the sector.

Article 6. Young adults may join the unions, without having to obtain permission for this purpose from those who represent them legally.

Article 7. The unions may not be established on the basis of political ideologies, religious creeds, nationality, race or sex, or may differences be established among their members on those grounds; and the membership of all the workers from the industry, trade, occupation or rating concerned must be accepted. No discriminatory contributions may be demanded.

All the members of the association will enjoy the same rights, and will be subject to the same obligations, in accordance with the terms of this law.

Article 8. The trade union associations of workers may not participate in political activities, nor give direct or indirect support to political parties or candidate or to those engaged in political activities.

Article 9. The trade union associations of workers, as such, will not be the recipients of funds originating with Law 18,610, its amendments or its supplements, or with a law amending or replacing it; nor will they participate in the management and administration of social benefits. The preexisting situations which violate this principles must be corrected within the period of time and in the manner prescribed by the bylaws.

Article 10. The trade union associations of workers may not receive, either directly or indirectly, subsidies or economic assistance from employers, employers union associations, foreign trade union associations or native or foreign political entities.

Article 11. The associations to which this law refers have as their only purpose the protection of the union and labor interests of the workers. They may not engage in activities with profit-making ends.

Article 12. Any person or union which, for any reason, ceases to belong to the trade union association with which it was affiliated, will not be entitled to demand the return of the dues or contributions paid, and will forfeit the rights and benefits resulting from its status as a member.

In the event of retirement, accident, illness, disability or military service, the workers may maintain their membership with the same benefits as those enjoyed by the other members. Those who are unemployed may do so under the same conditions, for the length of time stipulated in the bylaws.

II. On the Organization and Representation of the Associations.

Article 13. The statutes of the trade union associations of workers must contain:

- a. Title, domicile and purpose. The unions will include the area of activity.
- b. Specification of the industry, trade, occupation or rating represented.
- c. Rights and obligations of the members, requirements for admission, causes and procedures for removal, and appeals provided against the respective decisions.
- d. Specification and identification of the authorities, with an account of their functions and powers, and an indication of those engaged in social representation, the length of their term in office, and the procedure for the appointment and replacement of members of the board, and of the assemblies or congresses.
- e. Type of constitution, administration and control of the capital, its destination in the event of dissolution and the system of dues and contributions.
- f. Period and manner of submitting, approving and publishing minutes and accounts, and procedures established for review and inspection.
- g. The electoral system.
- h. Procedure for the convocation, establishment and deliberations of regular and special assemblies or congresses, and regulations on the issuance and counting of votes.
- i. Penalties for cases of violation of the statutes or of the decisions of the boards of directors, and the assemblies or congresses.
- j. Procedure for the amendment of the statutes and for the voluntary dissolution of the association.

k. Authority and procedure for the adoption of measures involving direct action.

Article 14. The management and administration of the unions will be carried out by a managing entity comprised of a minimum of five regular members, elected by the members in a manner that will insure the will of the majority thereof, through a direct and secret vote.

The management and administration of the federations will be carried out by:

a. A board of directors consisting of the secretary general of the association and the secretaries general of the affiliated unions, subject to convocation by the secretary general, through a simple majority of its members or through the enforcing authority; provided that it must make decisions on a union or labor matter, or exercise the representative status called for in Article 37.

b. The secretary general of the association with coordinating functions.

c. An administrative secretary with administrative, financial and accounting functions.

d. An acting secretary general to replace the secretary general in case of absence.

The secretariat of the federation will be elected by the board of directors, from among its members. The secretary general and the administrative secretary must be from different affiliated unions, and will automatically resign from the positions that they held in them. In such a contingency, the unions will appoint a new secretary general, who will join the board of directors.

Article 15. In the unions, the term in office of the members of the managing entities may not exceed 3 years, with a possibility of a single immediate reelection to any position. For purposes of being elected again, in the event that there was no immediate reelection, a period must elapse that is equal to the length of the term in office prescribed in the statute; and, in the event that there was an immediate reelection, a period must elapse that is twice the length of the term in office prescribed in the statute.

In the federations, the term in office of the secretary general and the administrative secretary, both regular and acting, may not exceed 3 years; nor may they be reelected to an immediate term. For purposes of being elected again, a period must elapse that is equal to the length of the term in office prescribed in the statute.

Article 16. For membership in the managing entities, in addition to the requirements imposed by the respective statutes, the individual must be an adult, and may not have penal or police records that are incompatible with

the duties to be discharged. Candidates for holding managerial positions for the first time must also prove that they have engaged in the activity involved for at least 4 years immediately preceding the election.

No fewer than 75 percent of the managerial and representative positions in the trade union associations of workers are to be filled by Argentine citizens.

Without exception, the supreme executive authority and its immediate inferior will be held by Argentine citizens.

Article 17. Every person who holds a trade union position in places of employment, on internal committees or in similar entities must be affiliated with an association with trade union status, or one merely registered, and be elected on the site and during working hours, by direct, secret and compulsory vote of all workers in the establishment, even if they are not affiliated with any trade union association.

The election will be considered valid when a percentage not under 50 percent of the workers in the establishment vote. The one with the most votes will be elected, provided he receives a percentage not under 20 percent of the total number of workers who had to cast their vote.

If such a percentage is not obtained, a second election will be held, and the enforcing authority will establish the minimal percentages for making it valid.

Failure to cast a vote without justifiable cause will entail the imposition of a fine equivalent to half a day's wages or hourly pay.

The bylaws of this law will establish the causes justifying such penalties and the destination of the fine.

Article 18. In order to hold the positions cited in Article 17, an individual must be an adult, and have served during the 2 immediately previous years, as a minimum, in the company. He may not have any penal or police records that are incompatible with the position.

No fewer than 75 percent of the persons holding those positions in each establishment, internal committee or similar entity must be Argentine citizens.

In those locations of employment where there is not a sufficient number of adult personnel to afford a proper selection, the enforcing authority may allow the election of workers 18 years of age as a minimum. If necessary, it may also allow exceptions to the accrual of seniority, in the case of new companies.

The length of the term in office may not exceed 3 years, with a possibility of a single immediate reelection. For purposes of being elected again, a

period must elapse that is equivalent to the length of the term in office prescribed in the statute. This length of term in office does not preclude the possibility that managers on the establishment level may be elected on higher levels, in accordance with the provisions of this law.

Article 19. The bylaws will determine the maximum number of personnel delegates to be appointed in the establishments, depending on their features; a number which may not exceed the maximum percentage of 1 percent in plants with over 100 workers. If the plant is smaller, the enforcing authority will determine the minimum number of workers to be represented by one delegate.

The number of delegates may not be increased by the collective work contracts or by any other means.

III. On the Assemblies and Congresses

Article 20. The regular assemblies or congresses must be held at least once a year.

The special ones will convene when the respective managing entities convoke them at their own decision, for reasons of urgency or obvious necessity, at the demand of the enforcing authority or at the petition of a minimal number of members which will be set by the statutes and which must consist of between 5 and 10 percent of the members.

Article 21. The assemblies or congresses may only discuss matters included in the notice of convocation, and will be chaired by the member appointed by the assembly or congress itself.

Article 22. No assembly or congress may be held without prior notification of its convening and its agenda to the enforcing authority, in the period of time beforehand stipulated in the bylaws.

Article 23. It will be the prerogative of the assemblies or congresses:

- a. To sanction and amend the statutes.
- b. To approve minutes and accounts.
- c. To approve a merger with other associations.
- d. To approve affiliation with other associations and to order the termination of affiliation or separation from them.
- e. To set the amount of the membership dues and contributions of the members.
- f. To discharge any other functions conferred upon them by the statutes.

IV. On the Rights and Obligations of the Trade Union Associations of Workers

Article 24. For purposes of becoming enrolled in the special register that the Ministry of Labor will keep, the trade union associations of workers must comply with the procedures established by this law and its bylaws.

They will submit to the enforcing authority a request which will specify:

- a. The name and domicile of the association, and the records of its founding.
- b. Assets which comprise its holdings.
- c. A list of members.
- d. An authenticated copy of the association's statutes and bylaws, which must comply with the provisions of this law and its bylaws.
- e. A list of the members of its managing entity, noting their age, nationality, and occupation or trade.

Article 25. In the area of activity of a union with trade union status, the enrollment of others in the same industry, trade, occupation or rating will be allowed, when they request permission to operate in the entire area of the former. As an exception, the enforcing authority may permit a smaller area when the economic development of the area and the features of the respective associations so advise.

Article 26. When the procedures stipulated in Article 24 have been complied with, the intervening authority will order the enrollment in the register in a period of time not to exceed 60 days, and the publication, without charge, of the statutes in the Official Bulletin.

Article 27. As of the date of its registration, the trade union association will assume the nature of a corporation, and may exercise the rights and contract the obligations which the legal rulings have established in this regard.

Article 28. After their registration, the names adopted by the trade union associations of workers, as well as any which might lead to error or confusion, may not be used by other persons, associations or entities, unless there are preexisting rights.

Article 29. The registered trade union associations of workers will have the following rights:

- a. To petition in the defense of the collective union interests.
- b. To defend and represent the individual union and labor interests of their members before the courts, the enforcing authority and other state

agencies, at the petition of the party concerned, which will be attested to by a power of attorney.

c. To protect and represent before the state and the employers the collective occupational interests of the respective sector, when there is not an association which enjoys trade union status in the same industry.

d. To promote the formation and to organize cooperative and mutual associations among their members, in accordance with the legislation in force.

e. To collaborate, at the request of the state, in the improvement of the labor and social security laws.

f. To promote the general and occupational education of their members, through appropriate projects, such as libraries, lectures, publications, schools or technical courses, shops and exhibits.

g. To impose dues or contributions on their members.

h. To hold their meetings and assemblies in closed quarters, without seeking prior permission. The authorization or notification for functions held in public places will be arranged with the Ministry of Labor.

i. To hold all the other functions that will serve their purposes which have not been forbidden them.

Article 30. Without interfering in those imposed by other legal rulings, the trade union associations of workers will have the following obligations:

a. To provide the information and records requested by the enforcing authority.

b. To submit their statutes and amendments thereto for the approval of the Ministry of Labor.

c. To report to the Ministry of Labor any change in the membership of the managing entities, and to send it an authenticated copy of the minutes and accounts of the association's activities, within 30 days of the end of the fiscal year.

d. To report to the enforcing authority, in the length of time beforehand set by the bylaws, the holding of elections for the renewal of their managing entities.

e. To keep accounts in books signed and sealed by the Ministry of Labor, in such a way as to permit inspection of the association's economic activity, abiding by the rulings established in the bylaws.

f. To handle and maintain the funds deposited exclusively in government banks (national, provincial or municipal), in accordance with the rulings established in the bylaws.

g. To maintain relations with the employers in a spirit of cooperation and social solidarity.

h. In exercising their authority, to attempt to prevent action on the part of their members which would involve any type of violence, coercion, intimidation or threat to the workers, for the purpose of prompting or forcing them to participate in an action marked by force.

V. On the Trade Union Associations With Union Status

Article 31. The trade union association of workers that is most representative of the industry involved will be entitled to enjoy union status.

Union status may only be granted at the decision of the Ministry of Labor to the trade union association of workers which can prove that it meets the following requirements:

a. It is registered as a trade union association of workers in accordance with the terms of Article 26, and it has acted as such for a period of not under 3 months, reckoned from the date of its registration.

b. It has the largest number of workers engaged in the industry, trade, occupation or rating among the registered associations within the area of activity. For this purpose, only the workers affiliated with a single trade union association will be taken into account.

c. The number of members reflects adequate representation of the respective sector.

Article 32. When the request has been received from a trade union association of workers, meeting all the requirements demanded by this law and its bylaws, the Ministry of Labor will issue a decision within a period not to exceed 90 days, either granting or denying the union status.

Article 33. When union status has been granted to a trade union association of workers, it will be registered as such in the register kept for this purpose by the Ministry of Labor, after prior publication, without charge, in the Official Bulletin of the decision granting the status.

Article 34. In the event that a union with legal union status exists, that status may only be granted in the same area of activity to another union in the same industry, trade, occupation or rating, when the number of dues-paying members in the latter is considerably larger than that of the members of the association enjoying union status, for a minimal and continued period of 6 months prior to the time when the trade union association concerned made the pertinent request.

The manner of establishing the larger representation of the association desiring union status in comparison with the one which has it will be determined by the bylaws.

The union whose representation is exceeded will lose its union status, and retain mere registration.

Article 35. When a union that is merely registered has been authorized to operate in an area of activity smaller than that assigned to the one which has union status, based on the hypothesis in Article 25, and seeks union status, the comparative numerical account of members will be made on the basis of the entire area of activity of the union with union status.

If the union that is merely registered should exceed to a considerable extent the number of dues-paying members in the union with union status in the respective area over a minimal and continued period of 6 months immediately preceding the time when the trade union association concerned makes the pertinent request to the enforcing authority, it will be granted union status, which the displaced union in that area will cease to hold, in accordance with the provisions of the bylaws.

Article 36. The exclusive rights of the unions with union status will be:

- a. To defend and represent before the state and the employers the collective union interests of the workers in the respective sector.
- b. To participate in collective bargaining, and in the concluding and amending of collective pacts or contracts, when they are not associated with a federation.
- c. When the law so stipulates or the state so requires, to collaborate with the official, technical or consultative entities on work regulation and social security and in overseeing compliance with the social legislation.
- d. To defend and represent the individual union and labor interests of the workers in the sector before the courts, the enforcing authority and other state entities, at the petition of the party concerned, which will be attested to by power of attorney, without interfering in the terms of Article 29, Section b.

VI. On the Federations

Article 37. The unions with union status may establish federations, join them, or withdraw their affiliation with them.

The federations which are established for each industry, trade, occupation or rating may request of the enforcing authority their registration and union status.

The union status confers on these federations only the following powers:

- a. To conclude collective work contracts with employers or organizations of employers, as representatives of the affiliated unions;
- b. To represent the affiliated unions before the state, when they are expressly asked to do so by them or by the state, and before international entities when they are expressly requested to do so by their affiliated unions.

Article 38. The federations may not intervene in their affiliated unions nor seek this action from the enforcing authority without precluding their right to report to it any irregular acts that they observe.

Article 39. The federations will receive the dues and contributions which are made to them, by mutual agreement, by the affiliated unions for their operation and maintenance. They may not receive dues or contributions paid directly by the workers.

Article 40. The federations will engage in the defense of the union and labor interests of the workers to the extent stipulated in Article 37. They may not grant benefits relating to social or welfare projects.

Article 41. The rulings in Title V of this law will be applicable to the federations insofar as they are pertinent.

VII. On Holdings

Article 42. The holdings of the trade union associations will consist of:

- a. Dues and contributions.
- b. Assets that have been acquired, and their output.
- c. Donations, bequests and contributions which are not prohibited according to the terms of Article 10, and other incidental funds.

The holdings of the federations will be limited to the dues and contributions from their affiliated unions, in accordance with the terms of Article 39, the property required as a headquarters and other assets needed for their operation.

Article 43. The trade union associations of workers will have the tax exemptions established by the national legislation for civil non-profit making associations.

Article 44. Dues or contributions from the workers may only be established to be paid to the unions with which they are affiliated.

Article 45. No dues or contributions of any kind may be established for the non-affiliated worker, except when collective contracts have been approved.

In this instance, the contribution may be established only once a year, and it may not exceed the amount paid in union dues by the affiliated worker during the month in which the respective contract was approved.

When the signatory of the contract is a federation, the contribution cited in the preceding paragraph will be distributed in the manner and under the conditions decided upon by the unions comprising it.

Article 46. In the collective work contracts or agreements of the parties concerned, whether they are approved or not, no contributions may be arranged from the employers to the trade union associations of workers, nor of employers, nor to entities administered by them.

Article 47. The employers will act as agents for withholding the amounts in the form of dues or contributions which the workers must pay to the unions with union status with which they are affiliated, or under the circumstances cited in Article 45.

For the aforementioned obligation to be required, there must be a decision from the Ministry of labor calling for the withholding. The decision will be made at the request of the union concerned, and the employer is responsible for the amount of withholding that has not been made. The delivery to the petitioning entity must be made in the manner and within the period of time stipulated in the decision.

The enforcing authority may extend the terms of this article to include the unions that are merely registered, with a minimal age of 6 months, in consideration of their union activity and when they prove that they have adequate representation of the sector. The extension of the terms will continue so long as the aforementioned requirements are met.

The deposits made by the employers in their capacity as withholding agents must be made in government banks, which will take steps to enter them in the accounts of the trade union associations of workers.

VIII. On Union and Labor Rights

Article 48. The following are the essential rights of the workers for purposes of the individual or collective defense of their union and labor interests:

- a. To petition the authorities or their employers, by themselves or through their representatives.
- b. To freely elect their representatives.

c. To participate in activities arranged for the purpose of collective bargaining or others related to mutual assistance or protection.

d. To negotiate collectively through the associations authorized for this purpose.

e. To meet, organize and join a trade union association.

Article 49. The workers who serve on the managing committees or who hold positions as representatives in the trade union associations with union status will enjoy stability in their jobs during the entire period of their term in office, and 1 year more, reckoned from the date of cessation of their functions, except in the case of dismissal for just cause.

They may stop rendering services in their positions and, in this instance, the employers must hold their jobs for them and reinstate them at the conclusion of the exercise of their trade union functions.

The period during which the workers performed the aforementioned functions will be considered time in service for purposes of computing their seniority for the benefits to which they are entitled either legally or by agreement for rendering services.

They will also be entitled to remain in their social security and social assistance systems.

The insurance and social security payments and contributions incumbent on the employer will be defrayed by the trade union association in which these workers have been serving from the beginning of the trade union leave of absence until the time of their reinstatement in their positions. The insurance and social security contributions incumbent on the worker who serves on managing committees or holds representative positions must be defrayed by them.

Article 50. The workers who join managing committees or who hold representative positions in trade union associations with union status, and who have not made use of the right to stop rendering services in their positions will enjoy the stability called for in Article 49.

Article 51. The workers who serve as personnel delegates, or members of internal committees, or in similar representative positions, will continue to render services in their positions, enjoying the stability called for in Article 49.

The employer may grant them permission to engage in activities related to the defense of the individual rights of the workers in the establishment, and the former will be required to pay the pertinent salary.

At the request of the trade union associations of workers, the employer may authorize them to stop rendering services for reasons associated with the internal administration of the respective entities. In such an instance, the pay, and the social security and social assistance system will be subject to the terms of Article 49.

Article 52. In order to have the right to stability, the union representatives must abide by the following requirements:

a. The appointment must have been made in compliance with the requirements established for this purpose by this law and those which establish its by-laws, as well as the statutory provisions of the trade union association to which the interested parties belong.

b. The appointment must have been made within the periods of time set by this law or by the statute.

c. The appointment must have been reported to the employer by the pertinent trade union association in an authentic manner, indicating the period of activity, and in compliance with the other requirements set in the bylaws.

Article 53. From the time of the authentic notification to the employer of the slate made official by the union until the end of the election process, the candidates will enjoy stability to hold any of the positions cited in Articles 49 and 51.

Article 54. Violation of the guarantee of stability called for in Articles 49, 50 and 51 will entitle the worker dismissed without just cause to receive, in addition to the legal indemnification, the amount of the pay that he would have earned during the remaining time of his term in office and during the year following its expiration.

When the violation of the guarantee of stability occurs in the case of candidates, the worker dismissed without just cause will be entitled to receive, in addition to the legal indemnification, the amount of the pay that he would have earned for the period of 1 year after the dismissal.

Stability in employment may not be invoked in the case of cessation of activities on the part of the establishment, department or sector. In the event of a general suspension of activities, that provision will also include the workers protected by the guarantee of stability.

IX. On Unfair Practices

Article 55. It will be considered unfair practice contrary to the ethics of labor union relations on the part of employers or, if pertinent, the organizations representing them:

a. To subsidize, directly or indirectly, a trade union association of workers or entities administered by them.

b. To intervene in the establishment, operation or administration of a trade union association of workers.

c. To obstruct or impede the affiliation of their personnel with a trade union association through coercion, bribes or promises, or to make the procurement or retention of employment or the granting of pay increases or benefits contingent on this circumstance.

d. To promote or foster, through the means cited in section c, the affiliation of their personnel with a certain trade union association.

e. To take reprisals against the workers because of their union activities, or for having made charges, testified or intervened in the procedures related to the judgment of unfair practices.

f. To refuse to negotiate collectively with the workers in accordance with legal procedures, or to interfere with the negotiations.

g. To dismiss, suspend or change the working conditions of their personnel, for the purpose of preventing or impeding the exercise on the part of the workers of the rights mentioned in Article 48.

g. To dismiss, suspend or change the working conditions of the workers who enjoy stability, in accordance with the terms of Articles 49, 50, 51 and 53, except when such measures are being applied generally or simultaneously to all the personnel of the establishment, department or sector, or when there is just cause.

i. To refuse to hold the job, or not to allow the worker to resume his position in the contingency cited in Article 49.

Article 56. It will be considered unfair practice contrary to the ethics of labor union relations on the part of the trade union associations of workers:

a. To use coercion on the employers to interfere with their right to associate freely in management union entities.

b. To intervene or interfere in the operation of a union association of employers.

c. To coerce the employers to adopt discriminatory measures regarding the workers, especially as a result of their status as members or non-members of a certain union.

d. To refuse to negotiate collectively with the employers, in accordance with legal procedures, or to interfere with the negotiations.

e. To curtail the right of workers to freely elect their representatives or to free affiliation.

Article 57. The commission of unfair practices by union associations of employers will make them liable to the imposition of a fine equivalent to from 1 to 15 percent of the income from the dues which their members must pay during the month when the infraction was committed.

The commission of unfair practices on the part of employers will be penalized with a fine ranging between sums equivalent to between 1 and 15 percent of the wages which the employer must pay the personnel of the establishment during the month when the infraction was committed.

The commission of unfair practices by trade union associations of workers will make them liable to a fine equivalent to from 1 to 15 percent of the income from the union dues which their members must pay during the month when the infraction was committed. When a federation is involved, the percentage will be applied to the dues paid by the affiliated unions.

Article 58. The action to bring suit for an unfair practice may be taken by the trade union associations of workers or union associations of employers, the workers individually or the employers in the same capacity.

The action for an unfair practice will expire 90 days from the date of the incident which prompted it.

Article 59. The fines cited in Article 57 will be deposited to the order of the Ministry of Labor in a special account, to be used to finance the exercise of the labor police authority.

Article 60. The labor court will have the authority to pass judgment in the infractions cited in Articles 55 and 56. The decisions which result will not terminate any proceedings started as a result of action that has been taken stemming from the individual work contract or one of another kind. The decisions that are handed down in such proceedings, in turn, will not terminate the action brought for unfair practices.

X. Enforcing Authority

Article 61. The Ministry of Labor will be the enforcing authority for this law, and will be empowered:

1. To order the registration of the trade union associations of workers, and to grant them union status, when this is fitting in accordance with the provisions of this law and its bylaws.
2. To suspend the exercise of the rights stipulated in Articles 29, 36 and 37, or to cancel the registration or the union status of a trade union association for:
 - a. Violation of the legal or statutory provisions.

b. Failure to comply with rulings issued by the competent authority in the exercise of his legal powers.

c. Disappearance of the conditions which were taken into account to order the registration or to grant union status.

3. To impose disqualification for up to 3 years for the exercise of union duties upon trade union representatives who violate legal or statutory regulations.

4. To intervene temporarily in the entities of the trade union associations, in the cases cited in the preceding Section 2, for the purpose of guaranteeing the full exercise of the rights stipulated by this law.

5. To resolve issues involving the organizational status of trade unions.

In the cases cited in Sections 2 and 3, the pertinent decisions may not be made without prior action that will insure respect for due process.

When the violations committed are not sufficiently serious to warrant the imposition of any of the penalties called for by this article, the Ministry of Labor may make the appropriate warnings or suggestions.

Article 62. The decisions made by the Ministry of Labor may be appealed when:

1. They deny the granting of union status or registration of a trade union association of workers.

2. They cancel or suspend the union status or registration of such associations.

3. They affect the scope of a preexisting legal status.

4. They order the disqualification of union representatives.

5. They resolve issues involving the organizational status of trade unions.

The appeal must be filed with the National Chamber of Labor Appeals within 15 working days of the notification of the decision.

The appeal will be brought in an administrative headquarters, with an attorney's sponsorship, and with a statement of the grounds for it. The action must be conveyed to the aforementioned Chamber within a period not to exceed 10 working days. When the records have been established in the Chamber, the latter, after the general prosecutor or deputy prosecutor of labor has intervened, will issue the final decision, without precluding the ordering of action for a better decision that it may deem feasible.

When the decision that has been appealed affects the scope of the preexisting legal status, once the records have been established in the Chamber, there must be intervention in the activities of the association or associations concerned, and the transfer of the document giving the grounds for the appeal, within 10 working days, to be effective.

The aforementioned appeal may also be filed in the established manner when there is a situation of tacit refusal to grant the legal status because of the expiration of the period cited in Article 32, in the absence of a decision. In such an instance, the period for filing the appeal will be 90 working days, reckoned from the date of expiration of that period. The appeal will have the effect of suspending the appealed decision, without precluding any precautionary measures that the Chamber may deem it fitting to order, at the petition of the concerned party.

Article 63. The Ministry of Labor will keep a register in which the associations covered by this law must be recorded.

Article 64. The control of the trade union associations of workers with union status or merely registered will be exercised exclusively by the Ministry of Labor.

Article 65. The enforcing authority must exercise effective control over the management and administration of the funds of trade union associations of workers. For this purpose, within the jurisdiction of the Ministry of Labor there will be an economic-financial supervisory entity with the authority to conduct all the necessary inspections.

XI. General and Temporary Provisions

Article 66. The trade union associations of the first and second class which have union status, as well as those which are merely registered, will retain their status on a temporary basis until the enforcing authority issues a decision regarding the fulfillment of the obligations which that status imposes upon them.

Article 67. The trade union associations of the first class which are of the opinion that the area of activity specified in their statutes is in keeping with the terms of Article 5 will, within a period of 90 days reckoned from the date when this law goes into effect, request permission to retain it, providing the grounds for the request, and reporting the number of members.

Those which are of the opinion that their area of activity exceeds the limits set in the aforementioned article may, within the same period of time cited in the preceding paragraph, submit a proposal for the division of their entire area, following the procedure governed by Article 71. In this instance, they will report the number of members in each of the proposed areas.

Failure to meet the requirement established in this article will empower the enforcing authority to decide upon the expiration of the registration.

Article 68. Once they have been granted permission to retain their area of activity, the trade union associations of the first class must adapt their statutes to the provisions of this law and its bylaws, and must submit them for approval within 90 days of the granting of the permission.

The enforcing authority may extend that period up to 60 days, when reasons are given which warrant the requested postponements.

Failure to submit the proper statute on time will empower the enforcing authority to decide upon the expiration of the registration.

Article 69. The statute will be examined by the enforcing authority, which may make the pertinent observations. When these observations have been reported, the union authorities will submit a text faithfully abiding by those observations, within a period of 30 days.

Article 70. Once their statutes have been approved, the unions will take steps to call for elections within 90 days, observing the procedures established in the bylaws.

Article 71. The trade union associations of the first class with union status which are not permitted to retain their statutory area of activity will within 90 days of the notification of the decision, submit the proposal for a division of their entire area of activity, abiding by the terms of Article 5.

Once that proposal has been approved, union status will be granted to the union established in each authorized area with the largest number of members. When this phase has been completed according to the terms set by the enforcing authority, the registration of the association affected will be cancelled, and the association will be dissolved.

In the event that the proposal for the division of the area of activity has not been submitted and approved, the locals may request union status, provided that they comply with the terms of this law.

Article 72. If the union affected by the denial of a statutory area of activity is merely registered, it will proceed in a manner similar to that prescribed in Article 71, providing for the registration of the entities that are established in the authorized areas.

Article 73. Regardless of any provisions to the contrary called for in their statutes, the holdings of the associations which are dissolved in accordance with Articles 67, 68 and 71 will be turned over to the unions in the same industry, trade, occupation or rating which have been established in the area of activity of the dissolved entity. The benefiting entities will

decide upon the way in which to make that reallocation, which must insure the use of the assets concerned, in common, by those affiliated with the industry.

Article 74. When normalization has been achieved in the unions for each industry, trade, occupation or rating, the enforcing authority will decide upon the occasion for starting the process of normalization in the pertinent federations. The approval of the statute and the reelection process will be regulated, insofar as is pertinent, by Articles 68, 69 and 70.

Article 75. The trade union associations of workers of the third class currently in existence will cease to have their union and legal status, and will be dissolved when this law goes into effect. The Ministry of Labor will appoint the official who is to carry out this legal mandate. The national government will preserve the holdings of the aforementioned associations and, through a special law, will order the manner, purpose and conditions under which they are to be adjudicated.

Article 76. During the first 2 years following the publication of this law, the associations of the first class that are formed will be exempted from complying with the terms of the last part of Section a, Article 31, and the deadline prescribed in Article 34.

Article 77. The de facto situations currently in existence which violate the provisions of Articles 11 and 40 must be corrected within the period of time established in the bylaws.

Without interfering in the terms of Articles 9 and 40, until such time as the definitive legal system related to social benefits has been established, all the current obligations stemming from Law 18,610, its amendments and supplements, and special systems of social benefits will be retained on a temporary basis, for the purpose of maintaining the respective benefits.

Article 78. The National Court of Professional Relations is dissolved, and the Ministry of Labor is authorized to arrange for the reassignment of the personnel attached to that entity, and the redistribution of the funds allocated for its operation.

Article 79. Discontinuance is declared for the cases pending before the National Court of Professional Relations as of the date of the publication of this law; with the exception that, within a period of 30 days after the aforementioned publication, any party involved may request in writing from the Ministry of Labor his transfer to the competent judicial organ, in accordance with the provisions of this law. When such a request has been made, the Ministry of Labor will take steps to transfer the case to the competent court for purposes of its continuance.

In the absence of a petition, when the period indicated has expired, the Ministry of Labor will put the records on file.

The provisions of this article will apply to situations wherein there has been no firm decision from the National Court of Professional Relations.

Article 80. The provisions of this law are of a public nature, and may not be changed in any way, nor may their scope or spirit be altered by collective work contracts, agreements by parties or any other type of measure. Any statutory provisions which are not in keeping with its rulings are declared null.

Article 81. The National Executive Branch will issue the bylaws for this law within a period of 120 days reckoned from the date when it goes into effect.

Article 82. Law 20,615, and any other ruling in opposition to this law, is abrogated.

Article 83. To be communicated, published, given to the National Directorate of Official Records, and filed.

Message From Minister Reston

"Your Excellency, Mr President of the Nation,

"I submit for the consideration of the chief executive this draft law on trade union associations of workers, designed to replace the present system established by Law 20,615.

"The legislation that is being sponsored is inspired by the general objectives of the Process of National Reorganization, and its fundamental purpose is to establish the necessary framework for the operation of these associations, so that they may effectively perform their duties to protect and represent the legitimate aspirations of the workers whom they have organized, while simultaneously fostering harmonious relations between the state, capital and labor.

"The bill conforms to the provisions of the Constitution, and is reconciled with the principles which inspired the international agreements ratified by the republic.

"The concern over regulating these relations is nothing new in the country, because, since Decree-Law No 2669/43, containing regulations to govern both the labor and management associations, there has been a succession of different legal systems, established by virtue of Decree No 23,852/45, Decree-Law No 9,270/56 and Laws 14,455 and 20,615.

"With the exception of Decree-Law No 9,270/56, it may be said that the other legal regulations drawn up for the sector (and the latter in particular) arranged for stringent mechanisms to protect a certain type of association, aimed at achieving the strengthening thereof in opposition to any other that might attempt to replace it within the industry.

"Without succumbing to the error of thinking that the distortions and excesses which occurred in the sector up until 24 March 1976 were caused solely by the legal regulations governing industry, it must nevertheless be borne in mind that such regulations made it possible for many such irregularities to occur, while facilitating the stratification of very powerful trade union structures, which were invariably organized in vertical fashion, and unconditionally linked with the destiny of a particular political party.

"The obvious harm produced by this for the nation, first of all, and (since it could not be otherwise), eventually for the workers themselves, who are part of it, necessitates a revision of these regulations, so as to preclude similar evils in the future.

"This will be achieved if we succeed in placing the trade union associations of workers within a legal system which recognizes them as useful intermediate entities, which determines and safeguards their rights and powers, and which establishes their duties and responsibilities, not only with regard to the workers whom they represent, but also with regard to the other sectors comprising the nation. Only in this way can we hope to have institutionalized trade union organizations which effectively represent the collective interests of the workers, operating in a harmonious manner with the rest of the community, and with the supreme interests of the nation as their goal.

"Furthermore, mechanisms must be established to allow for suitable representative status for the associations in the areas of activity assigned to them, taking care to preserve the first class structures, so as to prevent excessive splitting that would cause disintegration which would prove detrimental to the particular interests of the sector and the general interests of the nation.

"The reforms made in the legal system for the trade union associations of workers are aimed at attaining the aforementioned objectives.

"Among the most important provisions included, mention should be made of the regulations aimed at insuring freedom of association for the workers and of those directed toward an authentic representative status for delegates and members of managing committees, establishing the qualifications necessary for those who aspire to such positions, and also affording the mechanisms for achieving a proper and reasonable process of renewal among the leadership cadres. The minimal requirements have been established for associations to become registered, so as to insure their actual representative

status, stipulating recognition of the union status of the association which proves to be the most representative within its industry, and allowing for its replacement when another one can prove that it has become more representative than the former, through a procedure that will make it possible to ascertain that fact.

"Measures are stipulated which will allow for an effective control by the enforcing authority over the management and administration of union funds, indicating the consequences that failure to comply with the legal or statutory provisions will entail for any association guilty thereof. A ban is established against the political activity of unions, and provisions are made for the operation of the social benefits established by Law 18,610, independent of the union administration.

"Stability is guaranteed for those who hold or who desire to hold elected or representative positions in the trade union associations for periods that are sufficient for the duration of the term in office; and the labor courts are given the authority to settle any disputes which may arise in this regard.

"Regulations are made for unfair practices that may be committed by the employers or the associations representing them; and, as an innovation, there are regulations for those which may originate with the trade union associations of workers; thus entrusting to the courts the power to decide on matters which may arise in this area. This compromise entails the elimination of the National Court of Professional Relations. The justification for it is based on the need for insuring a more effective and efficient consideration of the cases that are brought to the judicial courts, thereby obviating disputes of a constitutional nature and the many obstacles entailed by the operation of the aforementioned administrative court.

"The temporary provisions are aimed at making it possible for the current union structures to become adapted to the principles of the new system.

"May God protect Your Excellency."

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DIFFERENCES BETWEEN OLD, NEW LABOR LAW EXPLAINED

Buenos Aires CLARIN in Spanish 16 Nov 79 p 4

[Text] A comparison between Law 20,615 on professional associations, which was repealed yesterday, and the one on trade union associations of workers ratified the day before, makes it possible to establish a group of differences between the two laws, which are enumerated below:

Right of Association

Formerly: Recognition was given for "unions, associations or syndicates," "federations comprised of syndicates" and "confederations which contain unions or federations" (Article 4). No limitations were placed on their jurisdiction.

Now: Recognition is given for "unions established by workers" and for "federations established by associated unions." There are no provisions for confederations (Article 3). "The entities of the third class will be dissolved" (Article 75).

"The combined grouping of graded personnel into a single trade union association will not be allowed if it is not of that nature" (Article 4).

"The area of activity of the trade unions may include the Federal Capital or any of the provinces" (Article 5).

Social Benefits

Formerly: The unions could receive "contributions which the employers made by virtue of legal or conventional rulings to be used for benefits of a social welfare, social security or cultural nature," although such funds were required to be the object of "special administration" (Article 7).

Now: The trade union associations, as such, "will not be the recipients of funds originating with Law 18,610, nor will they participate in the management and administration of social benefits" (Article 9).

Organization of Unions and Federations

Formerly: The term in office of the members who held managing positions in unions and federations could not be over 4 years, and they could be reelected (Article 11). There was no limit on the number of members of the managing entities.

Now: The terms in office of the members of the managing entities of unions may not exceed 3 years, "with a possibility of a single, immediate reelection to any position. For purposes of being elected again, in the event that there was no immediate reelection, a period must elapse that is equal to the length of the term in office; and, in the event that there was an immediate reelection, a period must elapse that is twice the length of the term in office" (Article 15).

The management and administration of the federations will be carried out by "a board of directors consisting of the secretary general of the association and the secretaries general of the affiliated unions," "the secretary general of the association with coordinating functions," "an administrative secretary" and two acting ones, one for each of these positions. Those holding them must be secretaries general of affiliated unions, and must resign from their positions upon assuming these functions (Article 14). Neither the secretary general nor the administrative secretary of the federations will be reelected for an immediate term (Article 15).

Delegates

Formerly: The only stipulation was that the terms of the delegates could be revoked only when the association's statute so stated, expressly (Article 13).

Now: The delegates must be affiliated "with an organization with trade union status, or merely registered, and elected on the site and during working hours by direct, secret and compulsory vote of all workers in the establishment, even if they are not affiliated with any trade union association" (Article 17).

The maximum number of delegates to be appointed in the establishments "may not exceed the maximum percentage of 1 percent in plants with over 100 workers" (Article 19).

Assemblies and Congresses

Formerly: The maximum period for their convocation was 2 years (Article 14).

Now: They must be held at least once a year (Article 20).

Intervention

Formerly: The administrative authority could not "intervene in the management and administration of the professional associations, nor restrict the handling of union funds," except in cases which were perfectly established and in accordance with a stipulated mechanism (Articles 18 and 47).

The professional associations of a higher class could "intervene in the associations of a lower class affiliated with them, when the statutes of the former grant that authority" (Article 35).

Now: The enforcing authority's powers include that of "intervening temporarily in the entities of the trade union associations for the purpose of guaranteeing the full exercise of the rights stipulated by this law" (Article 6, Section 4).

"The federations may not intervene in their affiliated unions or seek this action from the enforcing authority" (Article 38).

Holdings

Formerly: The property used for the operation of the association was subject to seizure (Article 39). The records and assets of the professional associations with trade union status were exempt "from any tax or levy, either national, provincial or municipal," and the same benefit was given to "commercial associations when the owners thereof are exclusively professional associations with legal status" (Article 40).

The "contributions established by a collective agreement" were called for.

Now: The holdings of the federations are limited to "the dues and contributions from their affiliated unions, the property required as a headquarters and other assets needed for their operation" (Article 42).

"The trade union associations of workers will have the tax exemptions established by the national legislation for civil non-profit making associations" (Article 43).

"In the collective work contracts or agreements of the parties concerned, whether they are approved or not, no contributions may be arranged from the employers to the trade union associations of workers, nor to entities administered by them" (Article 46).

Unfair Practices

Formerly: They were established only for employers with respect to their intervention in the union activities of workers to impede or distort them, as well as regarding the adoption of penalties for engaging in union activities, or using forceful measures (Article 60).

Now: They apply to the workers' organizations as well, with respect to their intervention in the employers' entities, engaging in coercion aimed at discriminating among workers or refusing to hold collective negotiations in accordance with legal procedures (Article 56).

RECENT GDP FIGURES RECEIVED WITH GUARDED OPTIMISM

Buenos Aires LA NACION in Spanish 21 Nov 79 p 8

[Text] The figures emanating from the Ministry of Economy regarding the nation's economic situation warrant their being considered with guarded optimism. The statistics indicate that, during the first 9 months of the year, a 9.4 percent increase was achieved in the combined sectors producing goods, and an 8.1 percent increase occurred in the services sector. Although the recorded results might lead to emphasis on satisfaction, it must be borne in mind that the figures for the third quarter place the pertinent data at 6.1 and 7.3 percent respectively. Thus, it may be concluded that the GDP has increased, but that the rate is becoming slower. A slowdown has been evident in the economy up until the first half of this year.

This being the case, it may be claimed that the 1977 production rate has been recovered. It is even judicious to note that the fluctuations recorded in the Argentine economy since the high level reached at the end of 1974 are a thing of the past. Insofar as industrial production is concerned, there has been evidence of a noteworthy increase of 13.1 percent during the interval comprised of the first 9 months of 1979. In the historical series of absolute values, that is, in constant 1960 pesos, that percentage shares the record with 1974. During the third quarter of this year, industrial production distinguished itself with a 10.5 percent increase.

Within the manufacturing sector, the aforementioned 13.1 percent figure may have been attained as a result of the positive activity in all branches of industry, although certainly with variations of different sizes. According to the official report, that recovery is evident from the greater demand for consumer goods and the restoration of "stocks" in the factories.

We should explain our hesitancy toward being influenced by an extreme degree of euphoria. During the fourth quarter of 1979, a comparison will be made with the same period of 1978, which showed a higher percentage than the third; in addition to the fact that, starting last September, some weakness became evident in the trend toward expansion, and a decline was discerned in other sectors. The slowdown must be related to the reduced inflationary pressure (the cost of living announced for last October) and to a certain

amount of price reduction. Both are factors which should not be omitted from the analysis. Consequently, if, during the fourth quarter 4 percent of the annual total is reached, it would stand at 7 percent in comparison with 1978, and approximately 3.5 percent in comparison with the maximum for 1977. In order to make a relative evaluation of these predictable results, it will be essential to take into account the demographic growth, which has been 6.7 percent. Despite this year's recovery, the "per capita gross product would show a 2.6 percent decline from the "record" level of 1974.

In the sectorial evaluation of the figures for the first 9 months, the basic metal industry is recorded with a 22.6 percent increase in the production of ferrous and nonferrous products, as well as an increase in utilized capacity and better use thereof. The metal products, machinery and equipment increased 19.7 percent, owing to greater activity in the automotive, tool manufacturing, and railroad transportation equipment and material industries. The chemical industry showed a 13.6 percent growth (9.5 percent during the third quarter), with increased production of rubber and plastics and in some petrochemical items. There was only a 1 percent increase in nondurable goods, beverages, food and tobacco. Despite the decline in exports in certain categories, textiles, leather and clothing showed a 7.7 percent increase. There was a 13.4 percent increase (10.9 percent during the third quarter) in paper, printing and publishing.

Construction is the only industry which underwent a setback (0.5 percent) during the first 9 months; that in the private sector increasing 5.2 percent, and that in the public sector dropping 5.3 percent. The rendering of commercial services increased by 11.5 percent during the 9-month period; with a 12.4 percent increase in the wholesale area, and an 11.6 percent increase in the retail area.

The first 9 months have been the highest production period for the agricultural and livestock sector since 1971. This year, the increase therein was 5 percent, although during the third quarter the percentage turned out to be negative, by 0.9 percent. The agricultural sector contributed 5.9 percent, and the fishing sector, 20 percent. The higher oil and gas production represented 5.6 percent for the mining and quarry sector.

The telling nature of the recorded figures offers a real picture of the national economy, thus warranting our viewing it with guarded optimism.

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GUEVARA ANNOUNCES MARITIME AGREEMENT

Buenos Aires CLARIN in Spanish 14 Nov 79 p 12

[Text] At a press conference held yesterday, the head of the Secretariat of Maritime Interests (SEIM) announced: "The agreement reached with the representatives of the national lines of Germany, the Netherlands, France and Belgium, and with the so-called 'third flag' nations (Great Britain, Norway, Sweden, Denmark, Finland and Brazil), has virtually arranged the freight rates resulting from commercial exchanges between the two geographical areas, and has brought about the formation of the Northern Europe-Argentina Conference, replacing the former Northern Conference on Europe-River Plate Freight Rates which existed until 30 September of last year."

Rear Adm Carlos Noe Guevara recalled that the agreement which was concluded marked the culmination of Argentine negotiations, "in view of the evidence that the role played by its flag at that conference was in no way related to the freight contributions made by our country to the traffic in question, under the aegis of the Law on Freight Reservations, and Europe's reluctance to acknowledge for our flag a participation more in keeping with those contributions."

After pointing out that the commercial exchanges with the old continent will produce freight rates amounting to about \$400 million (although he did not specify the terms of the agreement with the four European nations), Rear Admiral Guevara explained that the agreement reached with the third section of the conference would afford Argentine and Brazilian ship owners assurance of "third flag" freight rates amounting to \$16 million. In other words, Argentina will be able to participate in the transportation between Brazil and Europe, and accrue about \$8 million in freight charges, and Brazil will be assured of the same amount from its participation in the trade between Argentina and Europe.

The head of the SEIM emphasized the fact that, at the 1974 conference, Argentina's participation as a third flag nation amounted to only 0.1 or 1 percent.

Elsewhere in his remarks, Rear Admiral Guevara gave a reminder that the conclusion of the freight rate agreement with Europe that has now taken place is a result of the official maritime mission which discussed with each of the countries the regulation of freight rates based on equity and justice, which would grant a country a role in keeping with the contributions of freight that it made. The official indicated that, on that occasion, the freight traffic between Argentina and Spain-Portugal, Great Britain, Sweden and Finland, as well as the USSR and East European countries, had been regulated. Now, added to these agreements, is the one for the so-called third section, consisting of Germany, France, the Netherlands and Belgium.

The rear admiral also mentioned the memorandum of understanding which was signed by Argentina and Brazil last August.

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FINANCE MINISTER UNVEILS 10-YEAR PUBLIC WORKS PLAN

Buenos Aires LA NACION in Spanish 20 Nov 79 pp 1, 30

[Text] Important announcements were made last night by the minister of economy of the nation, at the Rural Association restaurant in Palermo, on the occasion of the dinner held by the Argentine Chamber of Construction to mark Construction Day. Martinez de Hoz said that, during the next decade, the total investment in public works would amount to about \$115 billion, and that during that period \$70 billion would be invested in the construction sector alone.

He remarked that this would make it possible to undertake projects the size of Yacyreta, and that in all instances only projects the financing for which is completely assured would be carried out. The minister stated that, next year, construction would contribute 8.5 percent of the gross domestic product, and that this would represent a real growth of about 28 percent for the sector.

Martinez de Hoz discussed the assignment to the provinces of the services currently run by the state, the transfer of others to the municipalities and the creation of the Metropolitan Railroads company (which will be located in the area of the metropolitan municipality and the Greater Buenos Aires communities); and he declared that the entire main road system in the country would be paved within 10 years.

The minister recalled the efforts made during these past 3 difficult years, and emphasized the fact that the reduction in public spending and the battle against inflation would not cause a decline in the rate of activity in the country.

The speaker preceding the official was the president of the Argentine Chamber of Construction, engineer Roberto Mar, who described the sector's problems. The dinner was attended by representatives of the commanders-in-chief of the three branches of the armed forces, state secretaries, other government officials, builders, business owners and guests. President Videla sent a message of support which was read at the beginning of the banquet.

Remarks by Engineer Marghetti

The president of the Argentine Chamber of Construction, engineer Roberto Marghetti, made the following statements, among others: "The entity understands the circumstances which prevail in the country, and realizes that public spending must be reduced. In this respect, I cannot fail to mention a topic that has been debated but not yet explained, consisting of the fact that, quite often, one notes confusion between the share of public investment in the gross domestic product and the amount allocated for construction, which is what directly affects our industry.

"Whereas public investment's share of the GDP in 1977 was 11.6 percent, and in 1978, 11.4 percent, the amount invested in the construction industry during 1977 was 5.7 percent. What we must stress is that the amount invested in the construction industry has been remaining about the same, according to the latest methodology used by the Central Bank. This does not hold true for the previous data, which show an obvious decline that, moreover, coincides with the increase in idle capacity in the business firms.

"Furthermore, it should be noted that the effect of this fact on the country's growth and development has unquestionably been negative, when one considers that energy, roads, ports, navigable routes, silos, drinking water, sewage removal, sanitation, schools, hospitals, etc. depend on it, as does the participation of private works projects which have a major effect on prosperity."

Inflation

The president of the Argentine Chamber of Construction subsequently discussed the problem of inflation in the following terms: "We still have the same idea, reinforced by the experience afforded us by what has happened since; and we still firmly believe that inflation is an evil which is undermining the entire structure of the country, and attacking all legitimate activity; and no one, much less our industry, can remain uninjured."

He continued: "We believe that, with the cut in public spending, there should be no drastic curtailment of public works, but rather the adoption of a different distribution, through the strict observance of a well studied priority wherein the state deficit itself should not appear in a leading position."

Subsidies from Abroad

He added: "We can say that, convinced of our duty to increase productivity, we are faced with obstacles very difficult to surmount, such as a great discontinuity in the plans, with enormous gaps in the policy changes, and increasing intervention by foreign production that is virtually subsidized by its countries of origin, in competition with which we are defenseless; as well as a great economic insecurity in the public and private works lease contracts, which stems from the features inherent in our industry, since we have to agree on a price years before the object of the contract has been fulfilled."

Engineer Marghetti did not fail to cite the great progress that has been made during the past 3 and a half years, in all areas; nor to mention the chaos in which the country was submerged prior to 24 March 1976.

Remarks by Martínez de Hoz

At the beginning of his address, which he improvised for the occasion, Dr Jose Alfredo Martínez de Hoz recalled that, in 1977, a 3-year budget had been prepared to set a limit on total investment and public spending. He said: "The results of this experiment have prompted us now to prepare a far more ambitious plan, which has been submitted in that form to the national cabinet, and which calls for public investment amounting to about \$115 billion over the next decade."

He said that, in this way, the private sector would have sufficient time beforehand to determine the rate of projects and to decide upon the sectors in which they are to be carried out.

Dr Martínez de Hoz then noted that the country has not had planning of this kind for public works until now, and underscored its importance, claiming that it would make it possible to establish an order of priorities.

Genuine Financing

He also said that we would by no means undertake public works which lack genuine funds for financing, and indicated that this philosophy is part of the anti-inflationary policy. He mentioned the El Chocon-Cerros Colorados hydro-electric complex as an example of a public works project devised with concrete financing, but emphasized that, "This example, this philosophy, has been forgotten." He declared: "Now we are going to repeat this policy, and this example, with the completion of the most important public works project that has ever been undertaken in the country: Yacyreta. We shall thereby offer assurance that it will be completed in the proper length of time, and in accordance with the projections of our energy plan."

Elsewhere in his remarks, the minister of economy gave a reminder of the levels of investment with respect to the GDP in recent years.

GDP, Cement and Iron

He said that from 1976 to 1977 investment represented 11.5 percent of the GDP; noting that, in 1979, that percentage dropped, and predicting that, by 1980, it would be 8.5 percent of the GDP. He stressed the fact that, "This does not mean that there will be less investment in public works," because the investment in construction will have increased 28 percent. And, he said: "Generally speaking, we notice a sharp rise." He added that records were set in shipments of cement, and that there had been a 41 percent increase in the consumption of iron for construction.

Transfer of Services

On another subject, he made announcements on the transfer of major public services to the provinces and municipalities. He said that, "Starting on 1 January 1980, we shall transfer the sanitation works throughout the country to the provinces. We shall also transfer the system for distribution of electric power and for irrigation, and the natural gas distribution systems. There will also be a transfer of the river ports which the provinces can take under their jurisdiction." And he noted that the transfer of the underground services to the municipality of the City of Buenos Aires had been considered, following the principle that the population of a location should assume responsibility for the investments in the services that they require.

He also mentioned the plan to create the so-called Metropolitan Railroads, and said that the provinces will be able to carry out the programs for public works and services as a result of the increase in tax revenue collected.

In addition, he cited the transfer of the hospitals which are still in the purview of the Secretariat of Public Health. He mentioned the significance of the occasion, and underscored the sector's importance to the progress of the nation's economy. He said that the Argentine Chamber of Construction had, during the past few years which he described as difficult, managed to perform its leadership function in the sector, and that it had done so with moderation and balance.

He also gave a reminder of the status of the sector at the beginning of 1976, as a result of an oversizing which exceeded the country's potential for payment, and of the reorganization plans which had to be carried out during the past 3 years to achieve an equitable composition in public spending. He claimed that personnel expenses had been cut, and that there had been a simultaneous increase in public investment.

Construction: \$70 Billion

He observed that this task of reorganization required a great effort, and that in 3 years the mistakes made in the country over the past 30 years could be completely reversed.

He declared: "We cannot succumb to demagoguery, nor try to do everything for everyone. That has led the country to disaster and chaos." He pointed out that the decentralization program is important to the battle against inflation, and that public works must only be undertaken with genuine resources.

He also stated that, within the context of the investments for 10 years, \$70 billion must be reckoned for investment in construction; and he read a long list citing investments in construction, referring to roads, housing, civil engineering projects and energy projects, the expansion of the port of Bahia Blanca, the dredging of access canals and highway projects in particular.

Flourishing of Industry

He said: "A constant, sustained growth is preferable to unorganized projects without priority which are poorly financed." The minister added: "Now that the effort has been made, we can contemplate the future with the assurance of a program that has been reasonably devised. Now we can expect the new projects which, because of the way that they have been included, will not cause inflation, to start arriving. The 10-year program with \$70 billion invested in construction will bring about a flourishing of the industry."

Paving On the Entire Main Road System

The minister added that, within 10 years, the country's main road system will be entirely paved, in addition to the projects which will be made possible through the toll system. He also said that the program should be encouraging, and that the construction industry must take on the challenge of these planned projects, as well as that within foreign purview. But, he emphasized, the national government will offer the industry backing so that it may meet the challenge.

2909

CSO: 3010

WHEAT BOARD SETS SUPPORT PRICE FOR 1979-80

Buenos Aires LA NACION in Spanish 21 Nov 79 pp 1, 16

[Text] The National Grain Board (JNG) set the support price for baking wheat during the 1979-80 season at 23,900 pesos, by way of a "reference price" which will be updated about 10 December of this year, when the change in the general level of wholesale prices for this month is known. The new amount was reckoned on the basis of the 14,000 pesos set as a support price last March, plus the necessary updatings resulting from the increases in wholesale prices that have occurred from that date until now, according to the official indexes. However, the JNG claims that the producer will be guaranteed a price equivalent to 80 percent of the international quotation, in the event that this percentage exceeds the announced price.

Generally speaking, the announcement did not meet the expectations of the rural producers, whose leaders voiced their dissatisfaction in various ways shortly after the announcement was disclosed.

These circles expected the official price to exceed the aforementioned amounts, in view of the change noted in the price of grain on both domestic and world markets.

Official Communique

The official communique stated: "The National Grain Board reports that, in compliance with the guarantee established by the State Secretariat of Agriculture and Livestock for baking wheat, there will be a support, in the form of a reference price, starting on 21 November, amounting to 23,900 pesos per quintal of grade 2 baking wheat.

"This sum results from an indexing of the 14,000 pesos announced in March up until November, applying the October index to this month.

"That amount will be updated about 10 December, once we have learned the real November index for the purchases that are made after the readjustment.

"The National Grain Board will continue to uphold the minimal guarantee of 80 percent of the international price, in the event that the latter amount exceeds the announced price."

Rural Opinion

Leaders associated with a large rural entity stated that, although the support price was at odds with the concept of a free economy, they had to admit that the amounts set did not measure up to the expectations that had been created in the production sector.

They also claimed that the purchases to be made by the JNG with the new parity starting today "will not affect the behavior of the market;" and expressed the view that, if the current marketing conditions continue, "the price set by the government will soon go into oblivion."

Aguado

Yesterday, the head of Argentine Rural Confederations, Mr Jorge Aguado, upon being asked about the amount established by the government agency to guide grain purchases from the producer, declared: "We think that the support price set for wheat by the National Grain Board does not meet the expectations that had been created. There is a commitment to maintaining 80 percent of the international price, which should have been upheld." Aguado added: "Personally, I would like to point out that I have never agreed with this type of measure, because it sets a trend that would make it necessary to set prices for all agricultural-livestock products; but that would mean returning to government intervention, and all of us have expressed opposition to that. However, it must be admitted that, with the maintenance of the standards for exchange and other regulations, we are reaching the point where the marketing is controlled by the state."

Aguado also noted: "Whereas the March price (14,000 pesos) was bad, the one set now is bad as well. That is the question which should be asked, because this figure was arrived at from an updating of the previous one." He said: "It must be admitted that this is a measure that is not in keeping with the principles which they claim to uphold. The producer would have to wait for a complete exoneration of the economy, which would eliminate all types of conditions and enable him to operate freely with the prices set by the market."

Volando

For his part, Humberto Volando, president of the Argentine Agrarian Federation, declared: "The 14,000 pesos of last March have failed to cover the production costs. We maintained at the time that the amount exceeded 19,000, and now that lag has been reflected again in the established price." He expressed the opinion that the "output will not be remarkable, owing to a series of weather-related obstacles which, combined with a smaller planting area than that of the previous season, will give us a mediocre harvest."

He said: "We are very far removed from the enthusiasm of 1976," and added that, "With these prices, the Board will not have to purchase, and the private purchasers will do so; but the producer will be very discouraged, and this will be evident in the next harvest."

2909

CSO: 3010

SIEMENS SHOWS INTEREST BY INVESTING ADDITIONAL DM 80 MILLION

Buenos Aires LA NACION in Spanish 21 Nov 79 p 5

[Text] During the 2-year period 1980-81, the Siemens entrepreneurial group will increase its investments in our country, which currently total 136.3 million in Deutsche mark, by 80 million in the same currency.

The minister of economy, Dr Jose Alfredo Martinez de Hoz, was informed of these plans by the chairman of the Board of Overseers of Siemens A.G. of Germany, Mr Peter von Siemens, who is visiting Argentina.

Shortly before noon yesterday, the German businessman, who will be in Buenos Aires until the day after tomorrow, visited the Palace of Finance to make the first official contact with Dr Martinez de Hoz. Both held a private meeting first, and later continued the talks during a working luncheon in which other officials and members of the Von Siemens group participated.

The luncheon was served in the fourth floor dining room of the ministry and, as was subsequently reported, the participants, in addition to those mentioned, included the secretaries of finance and communications, Dr Juan Alemann and Gen Eduardo Corrado; as well as the chairman of the National Atomic Energy Commission, Rear Adm (ret) Carlos Castro Madero; Mr Peter Carl von Siemens (son of the firm's head, who is accompanying him on his tour), Dr Eduardo R. Roca, president of Siemens Argentina, and other officials from the company.

A Communique

Provided with the information made available by the company, during the meeting Dr Martinez de Hoz reported on the nation's economic and political situation, particularly the most noteworthy progress made during the past few years. He also underscored the importance of German industry's participation in the country's development, commenting on the armed forces' future plans in the area of public works, especially telephone facilities and energy.

The report adds that Mr Peter von Siemens, in turn, cited the investments made by the group which he heads, amounting to 136.3 million Deutsche mark

to date, and the plans for the years 1980 and 1981, when investments amounting to 80 million Deutsche mark will be made. The visitor emphasized Siemens' interest in participating actively in the nation's future development, considering the production capacity of the group's companies located in Argentina, and the personnel that it employs, exceeding 5,000 individuals.

The Nuclear Reactor

In addition to all this, it was learned that, at the private meeting between Dr Martinez de Hoz and Von Siemens, the topic which was given the greatest attention was that relating to the problems which have arisen in connection with the supplying of the nuclear reactor for the Atucha II atomic powerplant.

It should be stressed that this new equipment is scheduled to be provided by the Kraftwerk Union A.G. (KWU) firm, which belongs to the Siemens group of Germany. The negotiations reportedly met with some problems, inasmuch as the Bonn Parliament has apparently refused to ratify the respective contract.

2909

CSO: 3010

BRIEFS

OIL DRILLING TO PRIVATE FIRMS--Buenos Aires, 3 Dec (NA)--Argentine Economy Minister Jose Alfredo Martinez de Hoz last night announced the implementation of a system through which drilling of oilwells will be transferred to private companies which will "receive financing based on the amount of oil produced, up to \$200 million, in order to step up the process toward Argentine self-sufficiency." The finance minister held a press conference to announce the new system. The press conference was also attended by the top ranking executives of the Argentine Banco Nacion, Government Oil Deposits [YPF] and five national oil companies. During the press conference, he outlined the system which will be used to encourage the action of these private companies in drilling new wells in already proven deposits. This system includes lines of credit which will be granted by the Banco Nacion which has confirmed a fund of 300 billion pesos, to be reimbursed in oil which the beneficiaries of these lines of credit produce for YPF. At the end of the press conference, Martinez de Hoz recalled that proven national oil reserves barely reach 380 million cubic meters and "YPF must direct all its efforts toward increasing reserves." He also said that "we had announced that we will attain self-sufficiency in 1982 and for the time being this date stands. However, this may change according to the production rate." The private companies included in the accord, whose representatives attended the press conference, were Bidas, Perez Companc, Astra, Quitrusco and Tecninagua. One of these representatives thanked Martinez de Hoz for the idea and indicated that "it is convenient for all the parties involved." [Excerpts] [PY041612 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0203 GMT 4 Dec 79 PY]

OIL IMPORTS--Buenos Aires, 27 Nov--(AFP)--The Argentine Foreign Ministry reported that Argentina will purchase 1,009,698 tons of oil per year for 3 years from Saudi Arabia beginning in 1980. This represents 20,000 barrels daily at the rate of \$18 per barrel set by OPEC. [Paris AFP in Spanish 0313 GMT 18 Nov 79 PY]

NEW PAKISTANI AMBASSADOR--Syed Ahmed Pasha today presented his credentials as the new Pakistani Ambassador to Argentina to President Jorge Rafael Videla. [Buenos Aires Domestic Service in Spanish 1600 GMT 5 Dec 79 PY]

RADIO STATION ATTACK--Cordoba, 5 Dec (NA)--Two local newspapers reported today that five persons who overpowered the security guard and two employees fired shots at the transmission equipment of local radio LV2 Radio General Paz. The perpetrators of the attack fled after forcing a brief interruption in broadcasting. It has been established that the attack was perpetrated last night at approximately 2100 when a group of unknown persons entered the broadcasting plant that is located on road No 9 in the Ferreyra District, about 10 km south of Cordoba. The group overpowered the security guard and took his gun. They later also overpowered two persons who were in charge of broadcasting operations. They shot at the door of the broadcast room to open it and later fired at the broadcasting equipment itself. As a result of the attack, the radio station suspended its broadcast for approximately 5 minutes. During that time the attackers stayed in the room but they did not hurt anyone or tried to broadcast any communique. When it came back on the air Radio LV2 broadcasted music for about an hour once its programming was normalized. It reported that it did so "after overcoming technical problems." [Text] [PY051409 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1214 GMT 5 Dec 79 PY]

COX TO LEAVE COUNTRY--The news agency NOTICIAS ARGENTINAS carried the following dispatch last night: The director of the English-language Buenos Aires HERALD, Robert Cox, said last night that he will leave Argentina soon with his wife and five children owing to the recurrent death threats against his family. "I did not want this decision to be public, but I cannot hide what is happening from my colleagues," said Cox, who plans to leave for England on 16 December, after having requested a year's leave of absence from the HERALD. Cox, a 45-year-old British citizen who has headed the HERALD since 1969, said that his family had been receiving threats for a long time, but that a letter dated 19 November and addressed to his son Peter finally decided him to leave. "Unfortunately, my son read most of the letter," said Cox, pointing out that the letter showed its writers had detailed information concerning his family, indicating the seriousness of the threat. Cox said last night: "I do not believe that as a journalist I could honestly say 'no comment' when approached by colleagues about reports of the recent threatening letter received by my 10-year-old son. I would have preferred to have informed HERALD readers first, after the situation had been made quite clear, but I have not yet received an answer to my request for a year's leave of absence. At the present time I have no further comment to make, but I will inform readers fully when a decision has been made about my request for leave of absence. [Text] [PY041728 Buenos Aires HERALD in English 4 Dec 79 p 11 PY]

HARGUINDEGUY ON COX DEPARTURE--General Roca, 5 Dec (NA)--Interior Minister Albano Harguindeguy has expressed regret that reporter Robert Cox, editor of the Buenos Aires HERALD, has decided to leave the country as a result of the threats against his life and members of his family. "I deeply regret it, because if all those who have received threats leave the country there will not be a single foreigner or an Argentine industrialist left. Subversion has threatened everyone. My sons keep a collection of the threats I receive in my house," said Harguindeguy during an interview published by the RIO NEGRO newspaper of this city today. [Excerpt] [PY052245 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2210 GMT 5 Dec 79 PY]

AIR FORCE ASSIGNMENTS--Buenos Aires, 3 Dec (NA)--The air force command has announced the following assignments in the air force: Gen Hipolito Rafael Mariani, commander of war materiel; Gen Basilio Arturo Ignacio Lami Dozo, commander of instruction, retaining his current position as secretary general of the air force; Gen Juan Garcia, undersecretary general; Gen Almut Conrado Weber, chief of staff of the command for air operations; Col Hector Renee Roy, chief of the Ninth Air Brigade of Rivadavia and chief of the southern region; Col Alfredo Amon Berasteguy, chief of the Third Air Brigade of Reconquista (Santa Fe); Col Teodoro Guillermo Waldner, chief of the Sixth Air Brigade (Tandil); Col Hector Augusto Leon Cocito, chief of the Seventh Air Brigade (Moron). [Buenos Aires NOTICIAS ARGENTINAS in Spanish 2215 GMT 3 Dec 79 PY]

NAVY PROMOTIONS, ASSIGNMENTS--Buenos Aires, 4 Dec (TELAM)--The naval command released the names of the rear admirals who will be promoted to vice admiral at the end of this year. These are: Rear Admirals Pedro Antonio Santamaria, Alberto Gabriel Vigo and Juan Carlos Martinez of the naval command echelon; Rear Adm Jorge Demetrio Casas of the marine infantry echelon; Rear Adm Haroldo Enrique Dahn of the propulsion executive echelon; and Rear Adm Carlos Castro Madero of the executive engineering echelon. [Buenos Aires TELAM in Spanish 2240 GMT 4 Dec 79 PY] Buenos Aires, 4 Dec (NA)--The naval command has reported the following new assignments: Capt Raul Jorge Gonzalez, commander of the aircraft carrier "25 de Mayo"; Capt Eduardo Morris Girling, commander of the First Destroyer Division; Capt Edmundo Juan Schaer, commander of the destroyer "Hercules"; Capt Angel Maria Rodriguez, commander of the "Corbetas" division; Capt Ventura Juan Reverter, commander of the second destroyers division; Capt Jorge Rafael Jauregui, commander of cruiser "General Belgrano"; Capt Nicolae J. E. Piccaluga, commander of the support squadron; Capt Carlos Emilio Barilli, commander of the Antarctic naval group; Capt Alberto Lorenzo Padilla, commander of the frigate "Libertad"; Capt Nelson Raul Castro, commander of the destroyer "Santisima Trinidad"; Capt Guillermo Nicolas Costa, commander of the submarine force; Capt Maximo Rivero Kelly, commander of the No 1 Naval Air Unit; Capt Miguel Angel Grondona, commander of the No 2 Naval Air Unit. [Buenos Aires NOTICIAS ARGENTINAS in Spanish 1950 GMT 4 Dec 79 PY]

Buenos Aires, 5 Dec (NA)--The navy has made the following new assignments: Vice Adm Jorge Isaac Anaya as chief of staff, replacing Vice Adm Antonio Vanek, who is retiring; Vice Adm Pedro Santamaria as commander of naval operations; Vice Adm Alberto Vigo as naval commander; Vice Adm Haroldo Dahn as director of war materiel; and Vice Adm Jorge Casas as naval secretary general, replacing Vice Adm Eduardo Rene Fracassi, who is retiring. The following vice admirals have also been retired: Julio Torti, Gabriel Oliva and Humberto Barbuzzi. The following captains have been promoted to rear admiral: Hector Antonio Terranova, Gualter Oscar Allara, Enrique Pedro Montemayor, Roberto Alfredo Day, Jorge Augusto Goulou, Carlos Alberto Andres Bonino and Carlos Alfredo Garcia Boll of the Naval Command echelon; Joaquin Hipolito Leandro Gomez and Carlos Alberto Cesar Busser of the marine infantry echelon; Victor Jose Nasini of the executive propulsion echelon; Eugenio Luis Bezzola of the executive engineering echelon; and Manuel Enrique Valentini of the auditing echelon. [Buenos Aires NOTICIAS ARGENTINAS in Spanish 2255 GMT 5 Dec 79 PY]

MILITARY PLANE CRASH--Mendoza, Argentina, 4 Dec (AFP)--It was reported here today that a military plane plummeted to earth some 150 km north from this city, and that one of the crew members died while the pilot was unhurt. The airplane belonged to the 2d Air Brigade headquartered in Parana--520 km northwest from Buenos Aires--and according to the first reports, there were four persons aboard. [Text] [PY051150 Paris AFP in Spanish 0300 GMT 5 Dec 79 PY]

CSO: 3010

GEORGE PRICE INTERVIEWED ON PRESENT SITUATION

Mexico City EL GALLO ILLUSTRADO de EL DIA in Spanish 28 Oct 79 pp 9-11

[Interview with George Price, Prime Minister of Belize, by María Emilia Paz Salinas and Manuel Perlo Cohen: "Belize At the Crossroads"; time and place not given]

[Text] Introduction

Belize, the last bastion of British colonialism in continental America, is at a crucial moment in its history. By 31 December of this year, the prime minister of this small country, whose population does not exceed 150,000 inhabitants, will have to call for what doubtless will be the country's most hardfought elections in its entire history. The PUP (People's United Party), in power for 15 years, and the opposition UDP (Democratic Party) will fight to win the 1980-1985 government.

The result of this contest will be vital to the definition of questions as important as the independence of the country and the road to the economic, political, and social development that it will adopt in the future, since the two parties support different, and even hostile, positions on the above mentioned questions.

The apparent tension and political polarization clearly reflect, and also express, the contradictions and difficulties that the country is experiencing at this time. The old defects inherited from the British presence; the discouragement of many social sectors because of the delay with respect to a hoped-for independence since the middle of the past decade and still not attained; the difficulties of an extremely weak and dependent economy that imports 70 percent of its consumer products and exports 70 percent of its local production; the growing unemployment that obliges a considerable portion of its people to emigrate to other countries; as well as frequent and very intense confrontations between the agricultural workers trade unions and transnational enterprises, are the determinant factors in the present political situation.

But in addition to domestic reasons, there are international factors that influence the present economic situation. The recent Sandinist victory in Nicaragua and the people's strong protest in El Salvador have seriously undermined the power that Washington was exercising over Central America. The fear that this "epidemic" might be extended to other countries in the region results in the United States being in favor of a colonial Belize, with a strong presence of British troops and far removed from an independent position that might permit it to draw closer to Cuba. The political program that coincides with the interests of the North Americans is the one that is sponsored by the party of the opposition, the UDP, partisans of maintaining the colonial status of Belize, at least for the next 10 years, and it is certain that this posture will provide it with full political, economic, and diplomatic North American support in the forthcoming elections.

On the other hand, the aggressive territorial claims of Guatemala against Belize, exacerbated by recent oil discoveries in the latter country, would be favored by the maintenance of the colonial situation in that a negotiation with the British--via the U.S.--would be much easier than with an independent Belize that by no means would give up one centimeter of its territory. Thus the Guatemalans also lean toward a "favorite" in the forthcoming elections.

In order to authoritatively inform the Mexican people concerning what is occurring in this neighboring country, we interviewed George Price, prime minister of Belize, doubtless the most important and outstanding political figure of his country, head of the government during the past 15 years and indefatigable fighter in behalf of the cause of independence.

[Question] In your opinion, how do the recent changes in Central America, especially the fall of the Sandinist government, affect Belize?

[Answer] This is a very profound question. Recent events in Nicaragua cannot help but affect Belize, since Belize geographically is part of Central America. Nowadays, by virtue of instant communication, whatever happens in one part of the world affects another. Nicaragua's new government certainly supports independence for Belize with full territorial integrity. This is a great change, since Nicaragua's former government supported Guatemala. Presently three Central American countries support Belize: Panama, Costa Rica, and Nicaragua; Honduras and El Salvador are still on Guatemala's side. The other changes and the big unknown concern how long these countries and their leaders will forestall and defer their domestic transformation. At present we see that in Guatemala, El Salvador, and Honduras the people are struggling for democracy; guerrilla demonstrations and revolts have increased, and I hope that they will continue to increase.

In Belize we have implemented an Agrarian Reform. In the governmental Annual Report that I will present to parliament, I indicate that in the 15 years that

we have been in the government we have acquired, not through confiscation but by paying a fair price, more than 600,000 acres of land. To give an idea of the extent of these acquisitions, it is enough to point out that the above mentioned expanse is greater than the entire area of all the English-speaking independent countries of the Caribbean, that is, of Barbados, the Dominican Republic, Trinidad-Tobago, and Santa Lucia. In Belize our farmers have the land that they need, especially in the northern area of the sugar cane industry, in the citric area of the Stann Creek district, in the banana area of Copan, and in the rice area of Toledo. A guerrilla revolt is not needed to implement agrarian distribution. The rural people have land, and also agricultural credits.

Belize has a democratic government which, however, is not independent. I, personally, have the support of the people, but I must ask them to renew my mandate sometime before 31 October so that the people can know that they are participating, first by electing their candidate, and then by approving his program, which we will implement when we are in the government.

Nicaragua's successes will impel the people to change their situation, through the use of weapons, if necessary; and that change will affect Belize in a positive manner, because it will have democratic leaders who will value human rights, self-determination, independence, and the territorial integrity of Belize. Guatemala does not need land; it has no need of a corridor for an outlet to the Caribbean, since it has a 60-mile coastline along that sea and has two ports, Santo Tomas and Puerto Barrios.

To sum up, Nicaragua's successes and its new government promise a better situation. I think that Belize can help these Central American nations by inviting them to know us better, to know more about us, how we deal with democracy. In Belize, for example, we have great freedom of press; there is complete freedom to organize politically, to the point that the opposition has received aid from Guatemala. In fact, we have seen how the latter has penetrated our opposition in that the latter utilizes its same tactics: fear of Cuba. In the municipal elections of 1977 this is what actually took place. A few days before the elections, fliers were distributed which said: "War in Belize. If the PUP wins, Guatemala will invade; Cuba will come to our defense, and blood will be shed on the territory of Belize." This frightened many people.

This is why, although we know that independence is necessary, our task is doubly difficult. We must convince the people that we can attain that independence without the shedding of blood or war, because the truth is that we have no arrangement with Cuba. We do not need its aid, since the British are here. What we need for the future is a multinational security agreement, one that will include not only the British, but other Central American nations and the Caribbean, and possibly the United States.

[Question] What do you think of the United States attitude with respect to Belize? Do you think that at some given moment it will support independence for Belize or will it support a British presence instead?

[Answer] Prior to Nicaragua's successes, the policy of the United States regarding Belize was one of neutrality. It did not want to take part in the controversy between Guatemala and Great Britain. However, our point of view is that this position was not exactly one of neutrality. When a big nation opposes a small nation, when a country like Guatemala threatens a small country like Belize, any intention of remaining neutral must be partial. Therefore the policy of the United States has not helped Belize. We hope that the United States will adopt a posture that will support the UN resolution that advocates a secure independence, with full territorial integrity.

Nevertheless, there are indications that after the events in Nicaragua and in the face of the uncertainty of the nature of the future government, the United States would prefer that the British remain in Belize, even at the cost of financing their presence here. On a short term basis, this provides us with some security, but in the future it will impede the progress of the cause of independence. Only after Nicaragua becomes stabilized, and when the other countries enjoy democratic governments, will the United States change its policy and open the way for Belize to advance toward independence.

[Question] According to statements that appeared in the North American press during the most recent round of negotiations between Guatemala and Great Britain, Cyrus Vance put pressure on you to agree to give up a thousand miles of land to the Guatemalans in order to settle the controversy. What can you tell us regarding this?

[Answer] There was a certain amount of indirect pressure, since during the negotiations he did not mention that the dispute with Guatemala could not be solved unless territory was ceded. On that occasion, I said that it would be a mistake to give up land because, once adopted, that pattern would have serious repercussions in many other countries of America—for example, in the case of Venezuela and its claim against Guyana; Nicaragua and its claim against Costa Rica; etc. It would be a big mistake to give up land as a means of settlement; there is no need to give up land.

[Question] How do you view relations with Mexico? Do you think that the most recent changes in the chancery will occasion changes in Mexico's posture?

[Answer] Relations continue to be good. Four years ago PEMEX [Mexican Petroleum] agreed to help us by supplying us with 10 percent of all of our supplies. However we have not as yet received this help, since depots are

in the process of being built. The president personally assured me that he is convinced that there is oil in Belize, although at great depths, and that exploitation cannot be implemented with conventional equipment.

I do not have the pleasure of knowing Mexico's new chancellor, but if indeed what he said in Nicaragua, or if what Nicaragua stated that he said, is true--that Mexico would guarantee the existence of the new government of Nicaragua, even by means of a military pact, we believe that it can also guarantee the existence of an independent Belize, since, although in the past Mexico has always supported the right of Belize to self-determination, it has never guaranteed military aid.

[Question] How would you characterize the present political and economic situation of your country?

[Answer] The opposition says that a change is needed, that we have been in the government for 30 years. To begin with, we have not been in the government 30 years because, although our revolution--our peaceful and constructive revolution--began 29 years ago, we have been under the present constitution for only 15 years. Said constitution was very difficult to implement, because the reins of the government are not here in the offices of the prime minister, nor in parliament. They are in the residence of the governor assigned by the British crown. In accordance with the constitution, this governor has responsibility and authority over the Armed Forces, the police, the volunteers, and the Military Defense Force. He also controls the bureaucracy. Our responsibility is to obtain the money to pay for them, but control over them is out of our hands. Thus, this constitution has been a very difficult one for us.

In spite of that, there is no need of a change, since we have made changes at all levels. On the political plane, we have succeeded in advancing from a colonial system to a constitution with self-government. We have implemented adult universal suffrage, beginning with the age of 18. We have also developed industry and agriculture. We have increased the country's military budget from \$3 million to \$140 million. We are changing for the good.

The opposition says that we are a corrupt government and that therefore a change is needed. I counter with: Show me where the corruption is.

Do not say this or that; give me evidence. If I break laws, I am not immune. I will be brought to court and even sent to prison. They have not shown where the corruption is. On the other hand, we have found that in handling the municipal affairs of the city of Belize, they have used money for their own personal use. They may be small sums, but for the city of Belize, this represents a great amount. That is why, when they speak of corruption, we say to them: You are the corrupt ones and we have proof. They did not go to jail because they are members of the municipal government.

They also accuse us of wanting to sell, or cede, the country to Guatemala; but little by little it is becoming apparent that they are the ones who are doing this. The very vice president of Guatemala, Francisco Villagran, said that the proposal of the opposition was more attractive. In the interview granted recently to Mexican journalist Jose Urena, he said that two things could happen soon if the PUP wins the forthcoming elections and remains in the government. There will be independence soon, with a guarantee of security that will include Cuba. Now, then, we never have made reference to Cuban participation, but the Guatemelans insist on that and members of the UDP repeat this. Guatemala says something and the UDP repeats it. On the other hand, if Dean Lindo's party wins the elections, independence will be delayed. In the meantime, negotiations will take place between Guatemala and Great Britain in order to satisfy the demands of the former regarding a corridor to the sea. Obviously this policy is more attractive to Guatemala. Let us see how all of this fits in with other things. A few weeks ago, the opposition newspaper, THE REPORTER, published propaganda to the effect that territory was to be surrendered to Guatemala. The UDP never denied this statement, never corrected Lawrence, one of the highest ranking leaders, for having made this statement. A short time ago, the so-called Toledo Progressive Party told the Guatemalan newspaper, LA NACION, that the UDP would be the new government and that the Toledo Progressive Party would participate in it and that then it would satisfy the Guatemalan need for a corridor. They receive aid from Guatemala. There is no doubt that Guatemala gives them money.

[Question] Mr. Price, it is an irrefutable fact that the opposition has gained ground in recent years. Does this situation reflect a loss of popularity for your party?

[Answer] Of course there is opposition, but the mistake that some people make is to compare the results of the municipal elections with the national elections. In many cases they have won by a slight margin in the municipal elections, but the national vote gives us an advantage.

[Question] Which sectors support your party, the PUP, and which support the opposition?

[Answer] I think that the people who were benefitted by the agrarian distribution support the PUP. Our strength lies in the rural areas. That is why it is very difficult to compare the municipal vote with the national one. The poor people support us. I am not saying all the poor people, but most of the workers. I believe that many people who have property and who were able to acquire it thanks to the revolution are now afraid that we will take it from them to give it to others. The opposition gains strength with them. Some of the merchants would prefer the PUP, because the latter does not aspire to attain independence, at least for a period of 10 years; and they are the ones who benefit from millions of dollars from the British military presence, since they provide the troops with supplies.

Many people think that we are too friendly with Central America and they fear that. Many people are afraid of independence. I think that in the 1977 municipal elections some of our adherents, workers, poor people, and housewives, were frightened at the thought that, if the PUP were to win, war would ensue.

[Question] In what way do you think that independence would affect the interests of the big merchants?

[Answer] We have tried to show them that there would be more wealth, more investments, and more opportunities. Belize will participate more in international trade. We have tried to tell them all of this.

[Question] Are there organizations with a leftist ideology in Belize that are outside the government?

[Answer] There is a trade union, the General Workers Union (UGWU), that is strong in the north, in Orange Walk, and in the city of Belize. They have sent their people to Cuba and have received Russian trade officials. The opposition utilizes all of this to say: Price is a communist; that is why he allows all of this. This trade union is not part of the PUP; it is independent. At this very time the Electricity Board of the city of Belize is having problems with them.

[Question] What relations does the PUP have with the trade unions?

[Answer] PUP is not affiliated with trade unions, but has excellent relations with some of them; for example, the Christian Workers Union. They understand our problems and often help us.

Another of the trade unions, the one that groups public employees, is connected with the opposition.



George Price

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CSO: 3010

ARTICLE POINTS OUT STATE DEPARTMENT 'INCONSISTENCIES'

Santiago EL MERCURIO in Spanish 12 Nov 79 p A 3

[Excerpt] Not only did the United States vote in favor of Bolivia at the OAS, thus infringing on our sovereignty and seriously threatening the goals and trustworthiness of an international organization--with no visible reason why such a move should elevate the moral tone of Inter-American peaceful coexistence--but that country also sent a surprising--moralizing--warning to Bolivia through its secretary of state. Political turmoil was already looming on the horizon of the Altiplano when Cyrus Vance stated privately, according to a reliable publication, that Washington would try to destabilize, through economic means, the governments that broke off the democratic process and underwent revolutionary coups.

The veracity of this report was confirmed by what happened after the latest Bolivian revolution.

A State Department spokesman indicated that with the exception of food shipments and grain sales, all economic and military assistance to Bolivia would be cut off, and diplomatic relations between Washington and La Paz would be "examined."

The secretary of state's comment is quite unusual by itself; but when applied to the case of Bolivia, it is extremely unrealistic, given the country's political history. Such a failure to perceive reality does not jibe with the position of a man who controls the fate of the world. What aggravates the matter is the fact that this unrealistic view of things is not unique to the case of Bolivia; it is pervasive in Washington. And the paradox becomes even more apparent when this same lack of perception produces the opposite result in other cases.

Cyrus Vance's adviser on Soviet affairs, Marshall Shulman, believes in a gradual process of liberalization in the Soviet regime through long-term compromises, without resorting to pressure for human rights or provoking ideological confrontations.

Thus it is curious that with regard to the Soviet Union the hope for ultimately achieving democracy rests on a friendly policy with broad trade relations, huge

loans and technology transfer. It is difficult to discern the reason why Bolivia is treated so differently, for the same purpose of educating it in democracy. The treatment accorded Nicaragua, however, is in line with that of the Soviet Union--perhaps due to the two governments' ideological affinity. That must be the reason, because it is totally unrealistic to claim that Bolivia deserves punishment because the process of democratization was interrupted there, while Nicaragua deserves assistance because a dictatorship was overthrown there in order to install a liberalizing government, as the White House wants it.

Leaders of the Sandinista Liberation Front announced a few days ago that Nicaragua would nationalize the huge banana plantations belonging to the U.S. firm United Fruit, along with the mines (also American property) and insurance companies.

These measures are only part of a general process of nationalizing the economy. Alfonso Robello, member of the Government Junta, had said at the end of October that the capital goods would gradually change from private property to collective ownership; he did not set definite limits for this process of transforming the economy, with obvious and unavoidable political implications. Furthermore, at an assembly of his coreligionists of the Nicaraguan Democratic Movement, he refused to provide an absolute guarantee that the country was not moving towards communism.

The export trade is also in government hands, and the agrarian reform undertaken by the government has been called by LE MONDE "clearly inspired by collectivism."

Last July the nationalization of banks and financial associations was announced, and now all permits to exploit mines have been revoked.

Union activity is centralized in a single labor organization, controlled by the government: the Exclusive Labor Union.

The law governing the press brought a protest from the Inter-American Press Association (IAPA) concerning some of its parts, in view of "the fear that they could be invoked in the future, to the detriment of full freedom of expression."

As far as foreign policy is concerned, Managua has given in entirely to Cuba, the so-called "liberation movements" and the Palestine Liberation Organization, the latter being supported vigorously by the Soviet Union, the godmother of all those movements.

The Sandinista government's ties with Havana have resulted in thousands of technicians, professionals and school teachers coming to Nicaragua from Cuba. Finally--just as in Cuba--a national network of Sandinista defense committees constantly watches over the entire population.

So as not to leave any doubt about the path of the Sandinista revolution, the minister of the interior, Tomas Borge, announced in September that he would use "revolutionary terrorism" against opponents of the government; another high-ranking Sandinista leader said it would be "ridiculous and absurd" to call elections any time soon.

The evidently Marxist origins of Sandinismo made it very clear what was going to happen.

Nevertheless, soon after the Revolutionary Junta was installed in Managua, an official of the U.S. Department of State indicated that the United States was confident that the new Sandinista authorities would respect their commitments to the OAS and would lead Nicaragua to democracy. The American ambassador to that Central American nation soon afterwards condemned "any attempt to destabilize the situation," adding that Washington was willing to help the new government in its economic recovery program.

Another high-ranking Carter Administration official, Warren Christopher, said in September that "the best approach" to Nicaragua was "to adopt an attitude of friendly cooperation, including timely assistance." This support, according to Christopher, will ensure that Nicaragua follows "a moderate and pluralist path."

The United States' concern for guiding Nicaragua towards democracy has been received with nothing but scorn. Eden Pastora, a prominent official in the Sandinista government, stated a few days ago that his country had rejected a \$4 billion loan so as "not to depend on American imperialism."

No less humiliating for the United States was the attitude of the Ayatollah Khomeini, who did not even deign to receive the people sent by the White House to find a solution to the problem resulting from the assault on the U.S. embassy in Tehran and the taking of hostages. This, despite the fact that Washington had tried to bring Iran back into the fold in the most sinister way: the renewal last October of arms shipments.

8926

CSO: 3010

CHILE

U.S. PORTRAYED AS IMPOTENT GIANT IN WORLD AFFAIRS

Santiago EL MERCURIO in Spanish 13 Nov 79 p A 3

[Text] The events in Iran have provided the world with an astounding spectacle. Diplomatic immunity has been violated, innocent hostages have been taken. The chief of the American mission has been arrested at the Foreign Ministry. An embassy's files have been broken into. And all this has happened without even an interruption in relations, and without the country in question, the most powerful in the world when it comes to material forces, attempting any effective countermeasure.

In the middle of this crisis, precisely because of the strange and spectacular nature of this situation, very important political events have gone unnoticed. The government of Mehdi Bazargan, the last vestige of normal appearances in the Iranian revolution, resigned and withdrew in silence, making room for the undisputed leadership of the Revolutionary Council, made up of Shi'ite Moslem clergy. The Palestine Liberation Organization, which until recently was considered a terrorist group without true representation, merited considerable recognition when the State Department accepted its offer to serve as a mediator.

Only a few months ago the U.S. ambassador to the United Nations, Andrew Young, was relieved of his duties because he held talks with a PLO representative. The new attitude Washington has towards this organization is a hard blow to Israel, which is already suffering the effects of the gradual but continual erosion of Menachem Begin's internal power.

These undeniably important events remained in the shadows, because the central spectacle understandably captured everyone's attention. Washington asked its Arab friends to help; it also went to the United Nations Security Council and the European Economic Community to seek help in solving a problem that concerned it directly. It would be entirely justified in using force to solve that problem. Legal justification would have been much less clear for the Israeli operation at Entebbe, or the sending of French and Belgian paratroopers to Zaire. Also much less clear was the need to violently capture the merchant vessel "Mayaguez," which was taken by the Cambodians in the Gulf of Thailand.

All those operations were carried out rapidly and efficiently; they were successful, and the international community accepted them, even applauded them. In the case of Tehran, as in the above-mentioned cases, there was a violation of sovereignty and physical threats to citizens of the country affected, at the hand of uncontrolled elements who did not obey the directives of a legitimately representative government. Israel, France, and Belgium responded with vigorous action. The Carter Administration sought any formula that would relieve it of the need to act to protect its nationals.

The final outcome of the crisis is much less important than the image of indecision and impotence that the executive branch projected for a week in Washington. Caution can be carried to dangerous extremes. Today, throughout the world, those in charge of national security in countries allied to the United States are inevitably wondering if the greatest Western power would have the spiritual strength to meet an open challenge from the USSR or any other state, or combination of states.

If the White House and the State Department have spent 7 days asking who will help them find the formula that will obviate the use of force against an uncontrolled mob and a de facto government, there is reason to doubt its capacity to react when the adversary is much more real and powerful.

The case of the captured embassy in Iran is just the culmination of a process of continual erosion of American resolve with respect to international commitments. The root cause is Vietnam. There the United States voluntarily embarked on a dead-end adventure. It could undoubtedly have won the war in military terms; but it was unable to do so in political terms. The trauma of that first defeat in a history of uninterrupted triumphs is still felt today.

In 1962, before Vietnam, the Kennedy Administration quickly cut off the crisis of the presence of Soviet missiles in Cuba. Kennedy firmly confronted the problem and won out. In 1979, after Vietnam, the Carter Administration blew the whistle on the presence of a Russian combat brigade on the island of Castro. It sparked an international crisis of doubtful origins, and finally, after weeks of contradictory attitudes, ended up agreeing to let the troops stay where they are. Carter and Vance claimed to be satisfied to call the unit a training group instead of a combat brigade.

Now it is understandable that, in view of the sad spectacle of the pilgrimage to embassies and international organizations, while the hostages are still in the hands of the mob, the man in the street has reacted strongly. In many U.S. cities, people have called for the adoption of concrete measures against Iran. It is not the Shah whose life is at stake. It is no longer a matter of ensuring the safety of the 60 or more American captives. It is the United States' world image that is in jeopardy.

The demonstrators who spontaneously went into the streets to demand action, ignoring their president's advice, represent the country's anger at the succession of humiliating peripeteias. It is possible that in a presidential

election year these people will be heeded, and the American attitude towards the rest of the world will become harsher, because one of the most disturbing aspects of that country's current politics is that its leaders are guided more by opinion polls than by consideration for the genuine national interest.

8926

CSO: 3010

SOME CELEBRATING MATOS' RELEASE IGNORE CHILEAN ABUSES

Santiago HOY in Spanish 31 Oct 79 p 12

[Article by Jaime Castillo Velasco]

[Text] The release of Huber Matos serves as an example to help one appreciate the meaning and the consequences of the problem of human rights. No democrat can fail to be pleased by the termination of this imprisonment, which lasted 20 years. He must, in addition, reject the sentence and the causes cited to support it. Matos committed no ordinary crime. He was accused of a sort of treason, understood, as it is today in Chile, as a disagreement with the government. He was judged by a court which, as in Chile today, gave no guarantee of due process and pronounced sentence according to the government's political criterion. The inhumanity of being sentenced to 20 years for a political reason is evident in his case. It was also true in the case of many examples of death and prison sentences handed down in our country after 11 September 1973.

The Cuban government gained nothing by keeping Matos in prison. Rather, it lost. Free or in prison, this man is a witness against the country. Why not leave him free? Why not distinguish oneself through the ability to confront him with arguments before the conscience of the world, instead of subjecting him for such a long time to a situation that the leaders would not want for themselves? The same is true in Chile of cases of exile from the country, of arbitrary imprisonments and of maltreatment. In the long or short run, no one has anything to gain from inhumane treatment.

The Cuban government should be urged to free other prisoners, among them the decent and revered poet, Armando Valladares, paralyzed for many years. But at the same time the Chilean government must be urged to put an end to exile, to restore basic social and personal rights and to oversee police procedures. It is grotesque to see those who rejoice today in our country over the freeing of Matos, but who for 6 years have remained silent about other situations which are even more drastic. Those who turn their backs on the disappearance of political prisoners, justify the Lonquen

murders and others, try to find the legal side of the attack on Orlando Letelier, name the Catholic Church for defending the rights of persecuted citizens, justify or stimulate and continue to accept the administrative exile of Chileans; who, in administering justice, have abdicated their faculties and refuse to apply the law or to defend the minimum that is asked of the courts and limited themselves to hoping that the government will take measures to grant freedom or to ease sentences; who think that a political police, with secret powers and omnipotent leaders, guarantees the security of the citizens, or pretend to ignore the problem of torture, lack the authority to celebrate the freedom of Huber Matos.

8735

CSO: 3010

GOVERNMENT ABSTENTION FROM LABOR CONFLICTS PRAISED

Santiago EL MERCURIO in Spanish 17 Nov 79 p A 3

[Text] When the Labor Plan was first enforced, some thought the government was going to become a sort of guardian of the development of collective bargaining. They also assumed the regime was creating a sort of mock-up of union freedom, or a false means to strike.

The facts have proven the pessimists wrong, however. Effective labor negotiations have been carried out; agreements have been reached for real improvements in the workers' lot; and strikes have been called in industries of different sizes, among them being the Pacific Steel Company (CAP), the largest and most important of them all. During all these processes, the government has limited itself to playing the role assigned it by the legislation. Authorities in the Labor Ministry receive notifications of cases, but there is no direct or indirect government intervention on the side of any of the parties in a conflict. Labor disputes have lost their political significance, and take place in the exclusive domain of economics and social issues, as a confrontation between the parties involved in the industry in question.

It is interesting to note that the government has refrained from interfering in the CAP dispute, even though that is one of the enterprises belonging to the Production Development Corporation. This means that the state is willing to split in two, to divorce its political function from its status as owner of some businesses. In its capacity as an owner, it has turned over the management of its enterprises to the boards of directors and the respective presidents or managers, who exercise full administrative authority. As a result, management has complete authority to conduct and resolve labor negotiations in these enterprises. The labor dispute in a given state business has no reason to affect the state as a political entity; there is no reason for intervention by a ministry or the executive branch. The problem lies exclusively within the industry affected, and with those who participate in it.

The principle is a just one, since the state as the owner of businesses should not receive preferential treatment with respect to its private counterparts. The use of political clout has been rejected for both state- and privately owned enterprises. Just as the latter should be capable of dealing with

their own problems in a system of internal and external competition, so should the managers of state enterprises prove their worth by freely handling the interests they have been entrusted with.

Naturally, some former union leaders miss the old political intervention in labor disputes. Appeals to the interior minister or to the president, street demonstrations, and finally turning a single company's problems into a public issue, all helped former union leaders solve labor problems at the expense of the consumers. Political mediation began by appearing to demand much more from management and to favor labor, but in practice the final solution was underwritten by raising prices charged the public, or through aid or subsidies to the industry which, through inflation or taxes, placed the burden on the consumers, that is, the working class.

The government's refusal to get involved in labor disputes, even in cases of state-owned companies--such as CAP--can not be regarded as indifference to the very real problem, or to the fate of the workers and their source of employment. Quite the contrary: by completely and unreservedly turning the matter over to the parties involved--the union and the company management--the government is protecting in the only way it can the welfare of the workers, on terms that are compatible with their future source of employment and the common good. It is always easy for a government to solve conflicts at the cost of printing up more bills and making the entire population pay through price increases. What is difficult is for a government to seriously maintain its neutrality and let the parties involved determine and take their own risks. They themselves will be the arbiters in their conflict, and they will strike a balance with wages, unless they decide to destroy their jobs by bankrupting the company. Thus, the government's abstention from these affairs is difficult but indispensable. That is the main reason for the Labor Plan's success.

8926

CSO: 3010

CODELCO RESPONSE TO WORKERS SEEN AS CRUEL MOCKERY

Santiago LA TERCERA DE LA HORA in Spanish 19 Nov 79 p 13

[Article by Rigoberto Vega]

[Text] Yesterday the leaders of the Chuquicamata Local of the Confederation of Copper Workers presented a strong response to the economic improvement package offered by the company. They made clear their dissatisfaction with the company's position, which rules out effective collective bargaining. They regard the current offer of 4 percent, as well as the refusal to negotiate en masse, as a provocation on the part of management.

The following is the text of the statement:

1. The Chuquicamata Division of the Copper Corporation (CODELCO) responded yesterday to the draft collective contract proposed in a timely manner by its workers.
2. The response, delivered separately to each of the unions, consists of three documents. Despite the documents' volume, they represent a cruel mockery to workers.
3. Along with challenging the legality of several proposals contained in the draft contract, it makes offers which make absolutely no contribution to the success of these negotiations.
4. In view of the legal objections made, the unions will appeal to the director of Labor, exercising their legal right. We maintain that collective bargaining should be en masse; that is, there should be just one set of negotiations, with the participation of all the union leaders and the members of the negotiating committee, in the case of the Industrial Union of Chuquicamata. Management has made every effort to ensure that the negotiations are undertaken union by union, claiming that the Labor Plan dictates such a move. Divide and conquer.
5. Management's position is preventing us from beginning effective collective bargaining, until the director of Labor decides what form the negotiations

will take, confident that he will support labor's position and insist that it should be en masse.

6. Management's response has made no effective contribution to the success of collective bargaining. Its package is a stingy one that, we repeat, is a blatant provocation to workers. There is no other way to look at an offer of a 4 percent raise on basic wages, or a clearly stated attempt to divest us of benefits and perquisites that have already been agreed upon, as is the case with the modification of the sliding wage scale proposed by the company.

7. It is inconceivable that a division that contributed \$223 million to COMINCO's total profits in 1978 is in such a deplorable economic situation that it has to make a proposal such as the above-mentioned one.

8. Under such circumstances, we feel that as long as the company is not in a position to improve its offer in direct conversations with all the unions together, it would be counterproductive to meet at the negotiating table. We cannot be expected to seriously consider the company's proposal. We are so far apart in our positions that if there is not a fundamental change in management's package, it is useless to negotiate except for the sake of appearances; and that could not be explained to anyone.

9. Public opinion and public authorities must understand that the above-mentioned disastrous consequences are the result of the repeal of the copper workers' statute, and the application of inappropriate rules (the Labor Plan) to an industry as important as copper mining. We made this very clear to the government at one time.

10. The workers will be informed of management's response in meetings they will attend next Tuesday, and they will hear the necessary reports. They will adopt the resolutions they deem adequate. The leaders, as we have always done, will obey the decisions duly adopted by the assemblies.

This statement by the Chuquicamata Local of the Confederation of Copper Workers bears the signatures of the leaders of the Professional and Industrial Union of Antofagasta and the Chuquicamata and Tocopilla Unions.

8926

CSQ: 3010

COLUMNIST VIEWS PRESIDENT'S BREAKFAST WITH NEWSMEN

Santiago **EL MERCURIO** in Spanish 18 Nov 79 p A 3

[Text] Presidential Statements

The president of the republic held a 55-minute breakfast meeting Thursday with the journalists who cover Diego Portales. He took that opportunity to make statements on various issues.

The talk with journalists had no agenda, and his excellency answered whatever questions were asked, without having any time to complete his thoughts on the many issues presented to him.

The president did well on this difficult test of his ability to cover such varied topics as relations with Bolivia, relations with the United States, his visit to Japan, plans for social action, railroads, wages for the minimum employment program, housing, energy, collective bargaining and strikes, relations with the Catholic Church, National Airlines (LAN) and the constitutional debate.

The chief of state cannot be expected to improvise and come up with immediate statements on a whole gamut of problems such as those presented at Thursday's breakfast meeting. The journalists complied with their duty of asking about all those issues, but the circumstances were not conducive to an adequate analysis of some political points that were glossed over as the breakfast drew to a close.

The public is very familiar with President Pinochet's personality, style and ideas. Thus, after 7 years of his administration, a statement or comment here and there is not going to surprise them. This regime can be judged by its accomplishments, its fundamental decisions and its moral and material projections. Certainly whatever his excellency said or failed to say is important, but it cannot be judged by the same standards as a project that is carefully thought out and put into action in a law or a vital speech.

What the journalists recorded were the president's words, and they must be regarded as such. If the chief of state's press conferences were given with more careful preparation by his aides, in order to provide the public with

the clearest possible expression of the president's ideas, statements such as the ones made Thursday would be truly useful and enlightening for the public.

In short, the simple ways of a leader and his gift for easily relating to all types of people should always be lauded. This is especially true of personal and direct relations that are of a limited scope. When words and gestures are transmitted to public opinion, however, a careful presentation of ideas is advisable, without regard for spontaneity and simplicity. The president of the republic cannot be concerned with all these details, but a good system of mass communication must bear them in mind and avoid problems.

Question of Power

Using clear language that everyone could understand, the president skillfully covered domestic and international issues brought up by the journalists. He exhibited the same skill with regard to the basic problem of the discussion and drafting of a new constitution.

When asked about the possible discrepancies concerning the draft constitution, the president answered: "The problem is, the draft hasn't reached my office yet. As someone said, when a draft is written, an order is given, the appropriate authority issues it and it goes to the General Staff, then goes around and around and comes back to that authority for signature, often it comes back in a much different form. . . . This could happen to me with the constitution. . . . Then we would have to study it again, discuss it. . . . Don't forget that the constitution is being studied by the Council of State, . . . and must come to the Government Junta. . . . Now. . . where is the problem? There is just one problem. . . where does the power lie? We must determine where the power is, . . . how power is generated, . . . who has it."

In fact, the basic problem of the constitution is power: how it is generated, where it lies, who exercises it and under what circumstances. It could even be argued that constitutional guarantees are defined in terms of power; they are protections or restrictions the citizens impose to defend against possible excesses of power.

His excellency clearly perceives the constitutional problem, but its importance goes much further than the few words he had time to devote to it at the press breakfast.

The topic provides much food for thought in the theoretical aspect. It is well known, of course, that legitimate power does not necessarily have a democratic origin; there are also legitimate dynasties and monarchies, to the extent that monarchy has been able to grow out of a de facto, charismatic rule. These inquiries, if adequately developed, can aid in clearing up the basic problems of public law in our country in terms of principles; but they have nothing to do with the problem his excellency dealt with in passing.

The question of power, in the constitutional issue facing the country now, consists of a single political fact of great importance that no one can deny: The president of the republic and commander in chief of the army reached the pinnacle of power by virtue of a legitimate and unavoidable military uprising. That power, military in origin, was legitimized by the break-down of all other institutions that took place from 1970 to 1973. It is still vested in the person of President Pinochet, who is undertaking an economic, social and moral transformation of large dimensions. The question of power, the basic constitutional question, refers thus to the individual who today is in complete command, and to the characteristics and parameters of his investiture.

To the extent that the institutional standards under study imply a limitation or risk of instability for the national program currently in progress, such standards will be met with complete opposition by the chief of state. Hence, the question of power is of great importance, and deserves a closer examination than that given in the president's outline of the situation.

No to Political Liberalization

Chilean public opinion tends to easily accept coined words or phrases whose meaning is not precise, but which express their desires, frustrations, ambitions and hopes. Such is the case with the phrase "political liberalization," which some interpret as the mere opportunity to listen to people of different ideologies, while others regard it as a veritable resignation by the president, or a move to relegate the military to an interim role between two identical civilian, democratic, "normal" governments like the one that prevailed before the military regime. In the opinion of these people, the military regime should be followed by a government such as the former one.

Although the president of the republic categorically rejected liberalization and politicians, his responses necessarily lacked the appropriate scope because of the nature of the conversation in question.

Apparently the president denied that tentative and informal overtures between the interior minister and some former parliamentarians had any real political significance; that is, public opinion should not interpret them as a return to the days when certain people had clout, or as a partial restoration of some practices.

It is almost certain that those who met with the interior minister did not harbor any illusions that such meetings would begin a period of liberalization, in the sense of a return to the political climate that prevailed before the military uprising. Listening to suggestions and exchanging ideas is quite different from giving in, resigning or compromising in terms of power, which is the basic issue we referred to above. Listening to the opinions of others is so beneficial and even enriching, that it would be inconceivable for his excellency to have rejected such an attitude. What he undoubtedly did was to stand firm in his traditional position of moving forward, mistrusting former politicians (above all repelling those who would open the door to

communism), laying the foundation for a new coexistence, and making sure the younger generation learns to run the country.

The president did not have enough time to go into this second, vital question.

The regime is dedicated to its work, and must continue to carry it out until Chile has truly recovered from the lost years, surpassing the level it would have attained if it had followed its traditional path. However, it seems impossible to undertake such a task behind closed doors, without listening or allowing people to talk or disagree. In fact, the regime has been very generous about allowing discussion, even allowing people to question its legitimacy, its duration and its ability to exercise sovereignty. Thus, there is a great deal of political liberalization, despite comments to the contrary.

Nevertheless, Chile's present and future public problems demand a greater preparation than that shown to date by most former party politicians. The purpose of this statement is not to malign them, but to point out a fact: things are more complex now. Fortunately, methods of analysis and technical solutions that are more effective than the empirical finger-in-the-wind method used in the past, are available to us now in coming to terms with those complexities. One consequence can be deduced from all this: young politicians will replace their elders if they study, specialize and become more professional, but only if they do that. The key to the success of economists lies basically in their training. The same is true of other disciplines.

An automatic, mindless turnover from generation to generation, then, does not suffice; the new replacements must necessarily bring more rigor and stringency to public life in terms of the diagnosis and solution of problems. In this sense, the president of the republic is justified in trusting the younger generation and turning over public responsibilities to it. The results prove the efficacy of the measure.

But there is no advantage for the government in giving the impression of being politically isolated and attempting an unproven public philosophy. It seems more promising to try drastically changing the nationalization mentality that led to the vices and limits that his excellency wants to leave behind forever. The question of liberty and the question of power are the fundamental issues that come out of his excellency's words. In any case, it is clear from these statements that the president will not allow us to regress, once more running the risk of succumbing to communism.

5926

CSO: 3010

CARDINAL SAYS POPE EXTOLS WORK OF CHILEAN BISHOPS

Santiago EL MERCURIO in Spanish 16 Nov 79 pp C 1, 6

[Text] Cardinal Raul Silva Hernandez said yesterday that Pope John Paul II had exhorted and praised the work of the Chilean bishops who "have resolved to have the Gospel applied to all human structures, including politics." Moreover, he stated that there was a possibility that the Holy Father might come to Chile, if the mediation of the border dispute with Argentina is successful.

The Chilean prelate was speaking at a press conference yesterday noon, about his recent trip to Rome and other European countries.

After giving an account of his trip, the Cardinal noted that he found love and affection for the Chilean Church everywhere, emphasizing the prize for defense of human rights he received in Vienna, and his meeting with the Church's World Ecumenical Council, in Geneva. He also expressed his appreciation for the support the bishops received in their episcopal work.

He said that Pope John Paul II had twice referred to the Chilean episcopate, and had urged that "our evangelistic work not be directed exclusively at the mind, like a theoretical doctrine, for it should extend to the deep unity of faith and life in our daily lives, personal, social, and international." He added that this shows that our work is not separate from life, but on the contrary, Christianity should come to life in social, personal life itself, in national and international politics.

He added that the Holy Father had asked that "our work of spreading the Gospel not have a separation between faith and life, between faith and culture, in accordance with what was stated in the Council of Bishops and the Evangelii Nuntiandi Encyclical." "He has also asked," he stated, "that we base our teachings on love; that we preach in accordance with Church dogma, in accordance with its social doctrine; and that we overcome violence and institutional injustice with charity."

Work

He then remarked, "This is what we have done for many years of pastoral work, to present the truth of the Gospel, the truth of the social doctrine

in order to give new life to the whole structure of society, which, without this light, becomes a society that oppresses and destroys man, turns against man."

The Cardinal said that the Pope "has exhorted and extolled us for this work, by means of which we, the bishops of Chile, have endeavored to have the Gospel applied to all human structures, including politics." He added, "It could be considered a minor judgment that in defending man in his integrity, and in trying to have the Gospel applied in national and international relations, we have had a hand in politics." And he added that "If the Church stands forth in defense or promotion of man's truth, it does so within the lines of its work, which, although it is religious and not political, can do no less than consider man as a whole."

With regard to the "Ad Limina" visit all the bishops made, he said that at that time they had told the Pope of the situation of the Chilean Church, and the work it has done. He added that the Pope had praised the Episcopate for its work, with which it has revitalized the Church.

Mediation

Monsignor Silva Hernandez stressed the possibility that the Holy Father may visit Chile if mediation is successful and the border dispute between Chile and Argentina is settled.

The Cardinal said that he had talked with the Pope and with the Argentine bishops about the border dispute. He added that he had conferred with the latter on the problem, and they saw how they need to work for peace.

He expressed his hope that the Holy Father's mediation will result in a just and reconciliatory solution for both sides.

Charge

When he was asked about the records turned over by the Vicar General of Santiago, Monsignor Ignacio Ortuzar, for investigation of the existence of 320 graves in Section 29 of the General Cemetery, he said, "Look, the records come to us, the people come. We do not want to pass judgment in this matter. So if they seem reasonable to us, we pass them on to the courts to be investigated. That is as far as we go. Because in the first place, we have the duty to hear all the petitions we consider just, and in the second place, we would not want to cover up anything, or help in a coverup or be accomplices in any crime. But we do not judge, we turn the information over to the courts, which are charged with bringing the facts to light."

ECONOMIC GROWTH WILL CREATE DEMAND FOR LABOR, HIGHER WAGES

Santiago LA TERCERA DE LA HORA in Spanish 14 Nov 79 p 3

[Article by Rolf Luders: "Labor and Unemployment"]

[Text] Real wages and salaries have been rising very rapidly from their extremely low level of 1975. So much so that in 1978 they had already somewhat exceeded their highest previous "normal" level (in 1970), and they have clearly gone on rising since then to a high level. This growth has been so fast that many economists--among them this writer--believe that it is the main factor hindering the adjustment of the labor market to end the problem of unemployment.

Despite the above, there are many who maintain that the improvement of wages and salaries referred to is nothing more than a statistical illusion based on the deflation of nominal indexes by an IPC [Price, Cost Index] that does not reflect reality. They insist, in contrast, that the purchasing power of wages and salaries remains unacceptably low.

I believe we have sufficient evidence now to be able to make some valid remarks about this difference of opinions, which obviously has profound implications, both for those directly affected, and for the country.

In the first place, one must remember that the figures on wages and salaries are aggregate figures, including high, low and moderate pay, from all or several urban sectors of production. In large part, that validates the use of the IPC as a deflator, since that index reflects as well as possible an average market basket for Santiago residents. Nevertheless, it is no less true that because they are aggregate figures they do not completely reflect the situation of any particular subgroup. For example, it is known that a long iron bar with an average temperature of 20 degrees can burn us horribly, because it may turn out that the 20 degree average is the result of some 30 cm of iron at 150 degrees and the rest in decreasing temperature to, let us say, 10 degrees. And if we should happen to take hold of the 150-degree part...

Now then, there is no doubt that, indexes aside, average wages have increased sharply in recent years. The clearest example of that is the tremendous

increase in the demand for all types of consumer goods, including durable goods. It is enough to show that the goods whose profits have increased by far the fastest in absolute terms are those of average use and quality, leading us to conclude that those who are benefiting are precisely not the great capitalists and "executives," but rather the wage workers and salaried employees who make up our large middle class.

In the second place, it seems to me impossible to deny the existence of certain groups of workers who have less than proportionate participation in the economy's progress. In this sense, in general terms, I share the quantitative opinions of Father Jose Aldunate, S.J., on the relative income level of the lowest income workers. He thinks, and we have reached similar conclusions with slightly different market baskets and examples of salaries or workers in a select number of industries, that the incomes of these workers were even 5 percent below the 1970 level in 1978, and that they would probably fall 10 percent more by 1979.

Finally, there is not the slightest doubt that those who are currently unemployed (or on minimum employment) are in a comparatively worse situation, since unemployment today is much greater than before.

Nevertheless, these negative aspects are partially compensated by the high level of employment, and also by the prospects presented by a rapidly growing economy that is able to absorb the new labor that is offered. Despite this, the problem of unemployment is serious, and while it is impossible to solve it overnight, its effects can be mitigated. It is well-known, through a recent series of actions and statements that the government is working hard on a solution. Obviously there is nothing we would like more than to find the way to solve the economic problem for the lowest-income Chileans. In spite of that, I have not the slightest doubt that these workers would be even poorer with alternate policies that could strongly emphasize distribution at the cost of growth. Let us not forget that the crisis of 1975-1976 had very little to do with the actual economic situation, but rather originated in such objective facts as the need to correct a balance of payments that had a projected deficit of about a billion dollars, when the country had few significant reserves. Since then, and even through 1978, even the lowest salaries increased in real purchasing power by over 20 percent, according to Aldunate's estimates. That is, even the real incomes of workers with the lowest incomes increased at 6 percent a year. It is true that this progress has been interrupted in 1979--for a series of justified reasons--but I have no doubt that it will continue next year. Suffice it to look at the economic history of Chile and other countries to know that the 1976-1978 results would not have been possible with a policy that emphasized distribution instead of the equalization of opportunities, as has been done now. The result has been so spectacular that even in 1978 participation of wages in the National income approached 50 percent, far above the figure of 41 percent just in 1975, and equal to the 1968-1970 period.

In short, real wages and salaries have increased at unprecedented rates from 1976 to the present. While at the same time employment rose sharply, the proportion of wages in the National Index reached 50 percent, that is, the same record levels of the previous "normal" period in Chile. Nevertheless, there are some sectors, especially the unemployed and the low-income workers, who feel they are at a disadvantage with respect to that period. The low-income workers in particular have not recovered their 1970 real purchasing power, and they may suffer an additional reduction in 1979 as a result of the increase in the rate of inflation and world-wide price increases on certain products in the average market basket. In all, it is enough to study the country's economic history to conclude that these same workers would certainly be in a worse situation if the country had continued redistributive alternative policies instead of concentrating on actions to equalize opportunities. It will be the growth of the economy itself, and the resulting growth in demand for labor, that will rapidly improve these wages.

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CSO: 3010

GOVERNMENT URGED TO RECOGNIZE REALITY OF NEED FOR POLITICAL PARTIES

Santiago LA TERCERA DE LA HORA in Spanish 15 Nov 79 p 2

[Column by Enrique Krauss Rusque: "Political Parties"]

[Text] Some apologists of the present government, who at the same time are serving as constitutionalists, expend a great part of their dialectic artillery on criticism and disparagement of political parties, which they blame for all the ills of the country. In their opinion, the parties might have no more validity to exist than what they term "currents of public opinion," on the same level of institutional hierarchy as parents' centers and associations for community progress.

A really strange attitude, which implies ignorance of a consubstantial reality of man, who is gregarious by biologic and spiritual makeup, inclined toward grouping together with equals to efforts of common interest. Obviously such grouping, when it is of a political nature, must be in political organizations, and despite the great increase in imports, no better means for these results has ever come to the country than the political party.

It is argued that the citizens who claimed party membership in Chile were an irrelevant percentage of the electoral population. It is a specious argument, because the significance of a political party lies not in its membership, which is normally always small, but in the degree of compromise it achieves among its adherents, that is, in the men and women who identify with its doctrine and with the men who embody it, who are informed through its media, who attend its public meetings, vote for its candidates, and declare themselves or are recognized as belonging to that position, although they may not be entered on the registers of the party with which they identify. If the political spectrum is analyzed from that criterion, it must be concluded, in the light of the invariable Chilean electoral figures, that the majority of our country's population has political definition, and that the so called "independents" were apparently a minority.

In the mythology that has been created about the subject, it is also maintained that the parties are a caste solely at the service of the membership's interests. To maintain that implies, at the least, ignorance of the nation's history which, since the formation of the republic, has been identified with the thinking and actions of those who had a party definition.

The significance of the political party as a body around which democracy has developed was principally recognized in the 1925 constitutional reform supported by President Arturo Alessandri. In Article 25, it was resolved that a procedure would be used in the election of senators and deputies that in practice would result in an effective proportionality in the distribution of opinions and political parties. At the same time, Number 5 of Article 10 implicitly recognized the right to organize, to assure all the citizens of the republic the right to associate without prior permission and in accordance with law. It has been stated with good reason that from these precepts has come the possibility for the existence of parties, the coexistence of various organizations which come together in the electoral process, and the recognition of the legitimate activity of these organizations.

However, it was the constitutional reform in Law 17,398 of 9 January 1971, initiated and negotiated during the Eduardo Frei government, which gave full recognition to the importance of political parties in the democratic and republican system. All Chileans may freely organize in political parties, which are granted recognition as juridical persons in public law, and whose objectives are to gather together in a democratic manner to determine national policy.

The bill prepared by the committee headed by Enrique Ortiz--a bill whose ultimate fate is a question mark at this point--eliminates this provision directly, and refers to political parties timidly and deceitfully in Number 14 of Article 19, saying that a constitutional organic law will regulate everything regarding politics, a law that will assure domestic democracy in the operations of the parties and the publicity of their registrations and sources of financing.

If this provision was approved, it would cause a serious setback in the political order, not in that it might not be necessary to legislate the existence and operation of those organizations in the matters referred to, but rather with respect to denying the parties their standing as juridical persons in public law that political science recognizes for them, the present constitutional norm and practice. We need not stretch our insight to think that it turns the parties into mere private associations whose legal existence would be continued at the will of the government--which, for good or ill, will not necessarily be the present one--which could grant or deny the parties' standing as juridical persons as it wishes.

Men's actions in the political sphere are in response to thoughts, doctrines and attitudes that are shaped in the political parties, because no other means of expression exists. Throughout the world it has worked that way and does so to this day, in democratically organized communities. To authorize their existence, to regulate their operation, to permit their legitimate activity is nothing but recognition of a reality that is stronger than the provisions of a constitution or a law. To do otherwise, turning our back to the facts, reminds us of the lines of Teneo-lo, "The dead that you killed are in good health..."

ANTIGOVERNMENT CAMPAIGN IMPAIRS RESPECT FOR LAW

Santiago LA TERCERA DE LA HORA in Spanish 7 Oct 79 p 2

[Editorial by Juan de Dios Carmona: "Faith in the Law"; passages in slantlines published in all caps]

[Text] I am one of those people who believe that respect for the law and its institutions is the most effective tool the people have to achieve peace, freedom and justice. Observance of its rules--internationally as well as domestically--will make it possible to obtain those benefits that men desire in the world today.

A state of law cannot be established by force alone--because it is a contradiction in terms--nor by offering it with just a phraseology that has nothing to do with the behavior of those who are promising it. Above all, people must have faith and confidence in the effectiveness of the law. Without it, we are only building on sand.

Abroad and at home, Chile today is standing tests which will be very critical in affirming the people's faith in the so-called state of law.

Despite the deep crisis of institutional disruption it has been suffering, our country has maintained an international course based on respect for treaties and the rules of international law. It has not altered this course in the four most basic problems it has had to face abroad.

In the first place, it has followed it in the face of the accusations made against it by international organizations regarding the human rights situation in the country. It has refused to accept discriminatory treatment in the matter, because that /is harmful to law/, in spite of having been the first country that has admitted an investigative committee.

Next, in the face of Bolivia's claims to a seaport, presenting its demand like a political accusation against Chile, our country has kept its judgment /in accordance with the law/, submitting consideration of a solution to the experience of the countries that, according to treaties presently in force, should be involved in the matter. Although international demagoguery might use it, it cannot allow the jurisdiction or intromission of countries that may not intervene according to the most elementary rules of international law.

In the third place, in the matter of the Beagle channel, it has adhered most scrupulously to the law. It has agreed to submit the problem to the court that was agreed to, and has stuck to its decision. The other side did not do so, and has disavowed a decision that was completely in accordance with the law. In that case, Chile could have expected the solidarity of the powers that are criticizing and judging others /in the name of the law/. That did not happen, and those who consider themselves "the greatest in the world" said nothing. Despite having a decision in its favor, Chile knew enough to remain calm, and in a meritorious step, for the sake of peace, has put its trust in the high moral authority of the Holy See and has accepted its mediation.

Finally, in the matter of the request for extradition of three Chilean citizens made by the United States, the same behavior. There is a treaty with the United States, and cases that occur must, by law, be submitted to it. Accordingly, that country's government went to the Chilean court competent to hear the request. A basic principle of law indicates that whoever adopts this method /must submit to the decision of the court and accept it/. The Supreme Court of Chile has handed down its decision, and in that case, and apart from the partisan interests and the passions it aroused, no one can deny the thorough study of the matter, its absolute honesty, or the guarantees of the process. The decision was based solely on the legal precepts that should be applied in the matter. Therefore, those who urge /respect for the law in the world/ cannot try to disavow a decision because it is not in accordance with what it considered its interests, or use political pressures on a government that respects the independence of its country's courts, or punish a people that has a long history of belief in the law.

The above records should give us serious thought about the need to restore our people's faith in the effectiveness of the law. We cannot shout to the four winds that we favor the state of law domestically, and keep silent about basic violations of that state that the country has had to or might suffer internationally.

We cannot put up with the creation of false images abroad, for partisan reasons, such as that in Chile "there is a decadent Judicial Branch," "to the point of having become a government activity with no more independence or power than an autonomous public service," as it has been presented in some studies that have appeared recently. We all know about the independence and honesty of our judges, in spite of the immense sacrifices they must make because of lack of resources.

We cannot contribute to breaking down the Chilean people's faith in the law by carrying out campaigns about a lack of credibility in the process of institutionalization undertaken by the military regime, or by being unwilling to submit to the institutional methods it has established to establish precisely that full state of the law in Chile.

In conclusion, we cannot ask for confidence in the law if we persist in believing and going along with the Marxists who broke the law; who offered promises and agreements to guarantee the law and then did not keep them, and who are again promising to respect rights, freedoms and democracy, as a tactic to get back into power.

That does not encourage faith in the law, and those who truly want to serve that cause must weigh the enormous responsibility they have to Chile now.

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CSO: 3010

EX-NATIONAL PARTY LEADERS COMMENT ON DRAFT CONSTITUTION

Santiago QUE PASA in Spanish 18 Oct 79 pp 16-18

[Interview with Luis Valentin Ferrada by M. Angelica Bulnes]

[Text] Without political parties, the concern of many people over the institutional course of the country has now been channeled through groups, institutes and corporations. They make public statements, issue documents, and raise debates.

During an academic ceremony several days ago, the Corporation for Contemporary Studies—founded just a year ago—presented three recently published books: "O'Higgins, Carrera and San Martin," by Ricardo Cox; "Journalist's Testimony of Alfredo Silva Carvallo," by Tomas P. Mac Hale, and "Science and University," by Igor Saavedra. The members of the corporation believe that with this contribution to culture they are taking a further step toward their goal: "a path toward a society of free men." Earlier, the corporation had made a statement about some of the ideas in the draft constitution. But that was all that was known of the activity and thoughts of the group.

We went to the corporation president, Luis Valentin Ferrada, expecting that he would talk at length with us about the work of the institute (they meet every day in a private house where a staff works both together and broken into committees) and that he would by any means avoid making any political statement, thus protecting the "impartiality" that all the institutes vaunt.

The interview was a real surprise. In just a few minutes we were listening to a debate on political-institutional considerations. Luis Ferrada, a lawyer, only 30 years old, married to Maria de la Luz Walker and the father of four children ("and another on the way"), frankly wants to say certain things. Then, behind his calm, methodical (he was educated at the Liceo Aleman) appearance, and his "good boy" mien, there suddenly appears a sharp, intelligent, and sometimes spare man to state the problems that concern him.

Without hesitation he admits that he likes politics (he was president of youth in the former National Party), despite the fact that in this matter "my experience is nothing more than having a good eye and conferring with

people in the know." Neither is he bothered by stating that he is a man of the right ("as France's Giscard himself confesses himself to be") and believes that politics have gotten a bad reputation "through a campaign that neither makes sense nor has a fair explanation."

The Trade Unionists

In his opinion, the Corporation of Contemporary Studies, of which he is president, was at first a study center where people met to plan a national common project; but as they grew more able to draw together a large number of people, keeping them united around certain ideas, interest in disseminating these ideas was awakened. In this sense, says Ferrada, the corporation today may perfectly call itself a movement.

[Question] A political movement?

[Answer] Yes.

[Question] Is the intent of this movement to keep the flame of the National Party alive?

[Answer] The corporation does not represent the flame of the National Party, but by far most of the people who belonged to that party have become interested in working in this effort (there is no doubt about that, for in looking over the names of the members of the Study Committee we find former senators Francisco Bulnes, Pedro Ibanez and Fernando Ochagavia; as well as other well-known National Party politicians like Mario Arnello, Carlos Reymond, Juan Luis Ossa, Oscar Garrido, Fernando Coloma, and others), however there are many others who were not members of the National Party.

[Question] And how does this movement differ from a political party?

[Answer] In that a party has the goal of reaching power, and a movement is only trying to be an influential opinion in national decisions.

[Question] Does your group have any connection with the new group of former trade unionists called the New Democracy?

[Answer] Trade unionism, in our opinion, is the most conservative option on the right, and I use the word conservative in the strict political science sense. I am not speaking of the Conservative Party, because in the Chilean political context, talking about conservatives and liberals is antediluvian, like speaking of periwigs and pipiolos [Chilean familiar term for a Liberal]. The trade unionists are a conservative extreme; it is the outlet of the informal right of the country, to a certain extent, what was the independentism of Alessandri. It is one more option, like other options, but the early preparations of that group have been bad.

[Question] Why bad?

[Answer] Because in spite of having honest and dedicated leaders, it is very hard for them to gain support among the people for their extraordinary conservatism.

[Question] But some of you also consider yourselves conservatives....

[Answer] We do not define ourselves as having a conservative mentality, because the basic principle of our whole political model is freedom. And he who believes in personal freedom is never a conservative. In general that mentality opposes freedom being the basic principle of institutions.

[Question] The word freedom is used by all sectors these days, from communists to conservatives....

[Answer] You are right that the term freedom has been used in very different senses, but we think of freedom as the absence of compulsion, which is the modern idea of freedom. That consequently supposes defining the government's sphere of action in a definite sense; it supposes allowing citizens the various expressions of freedom like law and action, thus helping them progress and be more able to choose; and it supposes creating a political structure in which one can plan one's life without fear, and in accordance with what one believes is best.

The Ortuzar Bill

[Question] What is the corporation's position regarding the government?

[Answer] As an organization, we are completely independent of the government and its actions, but we recognize certain basic aspects such as the legitimacy of the government of the Armed Forces and its right to direct the process. (In his opinion, there can be no dialog or quest for consensus with those who are trying to ignore these two basic aspects.) We also applaud the government's actions which draw on a system of ideas in common with ours, like the socioeconomic policy of the market, and the Labor Plan. But we are critical of what branches off from that ideal. Basically we believe that political action has not always been accomplished properly.

[Question] In what cases, for example?

[Answer] In the whole constitutional problem, which is so very delicate.

[Question] Why don't you like the draft constitution?

[Answer] In our opinion, the attributions granted to the Executive Branch in the Ortuzar Bill far exceed the limits of a republic. What would have happened, for example, if Allende had had these powers during his government? The imbalance between the branches of government is not good for democratic

stability. On the other hand, the bill establishes some protections that are also incompatible with a republic, such as, for example, the position given to the Central Bank.

[Question] But the authors of the bill defend the autonomy of the Central Bank as a means of freeing monetary policy from political-partisan influence.

[Answer] No doubt monetary policy is very important to the country, but there are also other important things, and the logical thing is for the president to define some of those important things, for congress to decide in areas within its province, and for the judicial branch to provide redress. In the country we aspire to, it will be impossible to establish parallel superpowers whose standing in the mandate is above that of the president, and without the chance of his having a part in the appointment or administration of that parallel council.

[Question] So in your opinion the bill may have serious defects?

[Answer] It is a moralistic bill, extremely conservative, full of ideological and almost theological propositions, which in part represent the thinking of the trade unionists. If it were termed a Provisional Constitutional Status for the transition period, then perhaps many of these rules would be understandable, but as a constitution, definitely not.

[Question] And you, what do you propose?

[Answer] We have sent our general opinions to the Government Council, but since it is a system that operates behind closed doors, it is impossible to know the answer or remarks. Therefore, we are waiting until the real constitutional debate begins before presenting our report. The Government Council could have been an excellent moderator of that debate, but in that instance it was already lost. In any case, juridically we are more positivist than the authors of the bill. We believe that for the constitution to represent all the 11 million inhabitants, it must divorce itself from all ideological considerations. It is not the role of the constitution to advise, plead or make political statements; there are other media for that.

[Question] But in part they are trying to create a protected democracy with it....

[Answer] That is a term I do not share. It seems to me that democracy should instead be the protector of the basic rights, and should not itself be protected by letter or paper. When a democracy is working right, guarding rights, administering efficient justice, and has a respectable authority, then it gets the real support of the citizens. People who believe that by using their freedom they can deprive others of that freedom are committing a grave crime, a crime of philosophy, for a start; but that is not a problem of democracy, it is a problem of freedom.

[Question] You say that you are all working on a future political plan. What is it?

[Answer] In general terms, we believe that the principle of freedom should be basic, and as a corporation we would like to turn the great "No" that has traditionally united the democratic sectors of the country--the anti-Marxists, antifascists, and so forth--into a great "Yes," in a national plan that could motivate our people, who are basically lazy and uninterested--some because they believe they have cheated the wheel of fortune and others for personal concerns--to create a valid option for this country. Because that would be the great challenge: the day Chileans freely choose their options, we must be able to propose a basic and definite body of thought that will represent a large group of people. Otherwise other options, like Christian Democracy or Social Democracy, will win. We cannot deceive ourselves about that, nor can the Armed Forces, nor the country, and we win nothing by bookkeeping tricks, because that does not solve the problem. It is necessary to work on a plan that can convince the social base of this country that it is the best option; that any other way we will have perpetual social conflicts.

[Question] Do you mean that after these years of political recess, we are going to go back to the same ideological patterns?

[Answer] These years have shown that the patterns cannot be broken and that the passage of time did not eliminate the democratic opposition sectors or their most representative leaders. I believe that some of these patterns had already showed that they were failures, but I cannot be certain that if they came back in 5 years they might not get the majority.

[Question] But Christian Democracy, for example, many people think has not presented a viable alternative....

[Answer] It is a deception to say that they do not present an alternative. The Christian Democrats have had an idea for 40 years, which is still very current in many countries. It is a philosophical idea, a way of life and of viewing reality. They would have no reason to republish as a new idea what they have held for 40 years. What would be interesting, in the face of that alternative, would be to debate particular actions, such as for example, asking them if they are planning to go back to agrarian reform in Chile, since Rafael Moreno is doing so on the world level from his position in Italy. Let them answer that, or, for example, state their position on private property. Do they still prefer collective ownership? These are some of the subjects that should be a part of the political debate, and the most attractive and viable option will win.

[Question] Do you not think that politicians also have the duty of showing the country that they are able to coexist peacefully in democracy?

[Answer] Of course we have that duty, but it is not a purely political duty, it is a duty that springs from justice and culture. And it is the duty of all the people of a country.

President Pinochet

[Question] Do you think that the government should be more open to citizen participation?

[Answer] It seems indispensable to me. I think that the government should make a very serious effort in this aspect, to get the opinions of people who are publicly respected for their personal reputation.

[Question] How should they consult them, by calling them personally?

[Answer] If it is possible to call them personally, and if those persons are known to be organized in a group, they should call the group as such. At the same time a constitutional debate should be organized, with the participation of the opposition, and participation should be opened at the people's level, something that has been crying to heaven!

[Question] And should a congress be appointed?

[Answer] I think an appointed congress is an extraordinarily hard thing to consolidate, because I think it would be preferable to not have a congress than to have one whose representativeness could be highly doubtful. It might be a solution, but it would require extremely careful consideration.

[Question] There are sectors that have named as a condition to their participation in the transition stage, that President Pinochet must leave the government. What do you think of that?

[Answer] That is a ridiculous request; President Pinochet is there by decision of the Armed Forces, and if one considers the work of the Armed Forces legitimate, the presidency becomes the problem of the Armed Forces and not ours.

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CSO: 3010

INERTIA SAID TO SLOW NEEDED CHANGES IN ECONOMIC LEGISLATION

Santiago EL MERCURIO in Spanish 10 Nov 79 p A-3

[Text] Probable Evolution of Economic Policy

For the first time in many years, a consistent economic policy has been maintained in the country over a long period of time. The meaning of this is clear so it is not difficult to imagine what the future economic policy in the country will be.

The authorities have achieved financial balance in the public sector and it is probable that they will try to maintain this situation in 1980 as the main axis for the achievement of a prudent balance of payments and a reduced inflation rate similar to levels in the rest of the world.

With an effective financial balance or surplus it can be stated, without great risk, that the exchange policy will continue as announced.

Central Bank is not refinancing credit to the private sector or the consolidated public sector; the latter is balanced. Therefore, there are no domestic destabilizing sources to lead to a change in the exchange parity.

Also foreign capital revenue which means domestic monetary expansion tends to be automatically compensated for by the changes that the variations in exports, imports and interest rates cause in the Central Bank reserves.

The authorities have announced their intention to liberalize foreign financial transactions even more. This will also tend to eliminate the tax on domestic financial intermediation--interest rates. All this will be translated into a constant reduction in interest rates, increase in domestic credit and probably a slight increase in foreign financing as domestic and foreign interest rates tend to equalize.

Greater availability of credit, along with the reduced interest rates and the longer terms for credit, will generate a significant increase in investment. It is very likely that sectors like construction, especially housing, will have a development that is unprecedented in the recent economic history of the country.

Growth of foreign trade will continue strong, especially if the authorities carry out their announcements about eventual elimination of the present restrictions in the deferred collection system, terms for return, export financing and, in general, access to foreign credit.

Greater exchange stability, the subsequent reduction in inflation rates and normalization of business expectations, recently affected by changes in parity and the new labor legislation, will produce an atmosphere of greater confidence that should also be translated into significant growth in production and investment.

It is difficult to say anything concrete about the possible significance of budget reform. It is clear, nevertheless, that if the present system is changed to a fairer one and amendments are introduced into insurance legislation, issue of bonds, operations in the stock market, mutual funds and corporations, they will reinforce the economic growth of the country.

Emphasis has been placed, on numerous occasions and from different sectors, on the urgency to undertake these reforms. In general, they do not seem to involve major problems since there is consensus among the specialists about the positive stimulus that they would give the economy. There is also consensus about the best technical procedures to use. For that reason, it is hard to find an explanation for the delay in the application of these reforms.

State as Economic Actor

One very important variable is governmental investment in profitable state enterprises and the use made of the enormous natural resources that it still retains in its possession.

The country is in a good position to develop necessary investment projects in the public sector. Under present conditions, financing is easy to obtain in the international banking world.

If correctly evaluated projects are carried out in large-scale copper mining, energy, telecommunications and infrastructure, higher rates of economic growth than the high ones attained in the past 3 years can unquestionably be reached.

Lastly, if the state-imposed obstacles to the productive use of many agricultural, forest, fishing and mining resources are overcome, the rate of growth can be accelerated. The process would be reinforced if, in turn, the many bureaucratic, regulatory and legal impediments that raise operating costs of the different productive sectors are eliminated.

Social investment occupies an important place in state actions.

Next year more resources will be allocated for this objective and if significant improvement in the efficiency with which these resources are used is also obtained, there can be an important change in investment, economic growth and equality of opportunity.

One very decisive variable is the size of public expenditures and their tax counterpart. If there is moderate spending--different from this year--and the distorted taxation is corrected, the development process can be reinforced.

Imposed inflation is about to be eliminated and tariffs on foreign trade have practically disappeared.

It is very possible that, along with the budget reform, the very serious situation that the high budget rates mean for employment will be corrected.

It is also possible that the income tax which is not really progressive because of a high evasion rate can be replaced by a tax on spending.

Obstacles that Merit Special Attention

It is well known that the situation of the world economy is far from being good. There is a generalized recession and it is very possible that there will be new increases in oil prices. In addition to accelerating studies on energy production in the country, this must produce a constant readiness by the authorities to adjust the level of public spending if circumstances advise it.

Control of public spending is a decisive factor. It suffices to say that the entire plan of stability with rapid development rests on a moderate increase in expenditures and balanced public finances which could be transformed into a permanent surplus that would help confront any domestic or foreign eventuality. It should be pointed out that public expenditures in 1978 increased too much and a continuation of this would be fatal for achievement of government objectives.

It is hard to ignore the legitimacy of the many requests from different state sectors. Nevertheless, anytime it is necessary to

affect public expenditures, there must be a very careful analysis of the real cost involved. The authorities have the obligation to make the risk to pressures for more spending very clear to the people. The problems in the anti-inflation fight noted in recent months, particularly in September, are a timely reminder.

One obstacle that has been revealed as the process of liberalizing the economy advances is legislative inertia concerning indispensable economic changes. Bills are delayed and many reforms essential for growth are not put into operation because of the prejudice of some groups, state traditionalism and pressure by certain interest groups.

If the legislative system speeds up and prejudices against the operation of the free market, private initiative and the use of state resources are overcome, notable progress can be expected.

This is especially true in tax matters where certain changes can greatly stimulate private activity which basically, according to statements of principle by the present government, is the primary source of future economic and social development.

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CSO: 3010

PUBLIC, PRIVATE UNITY ESSENTIAL TO COMBAT RURAL POVERTY

Santiago EL MERCURIO in Spanish 11 Nov 79 p A-3

[Text] Extreme Rural Poverty

The concern of the bishops and the government itself about the serious problem of rural poverty helps establish the limits of that problem and keeps it from having political or ideological connotations.

It is useful to make a distinction between the social reality of agriculture and the social reality of the rural area. People gainfully employed in agricultural tasks are not the same as the poor people who do not live in cities and who belong to the sector of extreme rural poverty.

Frequently ideological interpretations blame the sad fact of rural poverty which successive Chilean generations have inherited virtually since the formation of the country on structural deficiencies of agriculture or, even more absurdly, on the socioeconomic model of a free economy.

The major illusion of the agrarian reform made the public believe that this process was going to modernize agriculture and save the peasants from poverty. Unfortunately, it did not achieve either. On the contrary, agricultural development regressed and rural poverty became worse.

That diagnosis which brought such unfortunate consequences to the country should not be made again.

There is evidence of agricultural progress in recent years, a slow but constant increase in investments in the rural area and the use of appropriate technologies. The results of all this are revealed in a clear increase in production and employment; however, in the medium term, this should be translated into increased employment since many agricultural products require large labor forces.

The economic model is operating well in the rural area and, in a few years, its success will be more obvious in employment.

Does this mean that the market economy will solve the problem of extreme rural poverty? The answer seems to be negative although that system best exploits available resources and, therefore, employs the largest number of useful persons.

The worst aspect of rural poverty is the small estate. This sector includes landowners throughout the country, commune workers in Norte Chico, Indians in the south and self-employed fisherman. According to recent studies, on 30 June 1979 there were approximately 350,000 agricultural landowners recorded in Chile. Of these, about 115,000 owned farms worth less than 10,000 pesos while about 125,000 owned farms worth more than that but less than the government appraisal of one irrigated hectare in Valle del Maipo--that is, 75,000 pesos.

Criticism of the Chilean agrarian situation does not always point out the serious fact that there are 240,000 poor landowners in the total of 350,000 agricultural landowners.

They cannot live off their land and do not belong to the agricultural producers groups. Their difficult situation cannot change through agriculture since it is an old, deeply rooted structural problem that affects the entire country.

That problem was not even touched by the agrarian reform which was aimed at agriculture, not rural poverty. However, the present government, through improved Indian education and increased technical and credit aid to small landowners, is working more effectively than previous administrations to solve the small estate problem. The final solution will be overall development of the country--that is, when the small landowners find the principal source of their income outside the land which they own. This means that the job supply must be much greater than ever before in Chile.

Fight Against Poverty

Accelerated agricultural development is an effective weapon against rural poverty when it provides jobs but this is not enough to achieve victory. Critics of the economic model because of its neglect toward rural poverty should keep in mind that the incorporation of business practices in the rural area is replacing the residuals of feudalism in agriculture and establishing conditions that insure the well-being of those who work in agriculture. Criticizing the model because there are poor people in the rural area helps perpetuate poverty by discouraging investments and resisting rational ideas of exploitation of productive farms. The cause of poverty is not the

present economic model but a set of inherited factors. However, political and moral observations that could establish a situation similar to that which preceded the agrarian reform under the Frei administration would be the best way to prolong this poverty and discourage agricultural development.

Rather than focusing criticism on the general economic model, it is much more useful to examine the injustice in the distribution of public investment in the country which condemns the rural area to lack of essential services and, therefore, deprives the poor peasants of health, education and sanitation which are available to the inhabitants of urban areas. It is not improbable that this unequal distribution is related to the unequal electoral power of the different areas and the lack of political pressure of the most distant and neglected sectors.

Rural poverty includes unemployed people or those with low incomes but it also includes social isolation and neglect.

It is important that the state, through the Ministry of Agriculture for specifically agricultural matters and through other ministries for sanitation, education, public works, etc., increase support to the backward sectors in the rural area. That seems to be the government's decision as expressed by the minister of agriculture, Mr Alfonso Marquez de la Plata, and the programs formulated by ODEPLAN [National Planning Office].

However, this exceeds the possibilities of a government alone. It unquestionably requires the aid of the people and organizations like the church, whose ministers are in a privileged position to channel the fight against rural poverty in the right direction. Basic moral and intellectual training and professional skill and education not only demand state action but also action from the churches, business organizations or other groups interested in helping the peasants. The National Agricultural Society is taking over the government agricultural schools; this is one practical way in which businessmen can help public education in the agrarian sector. Other organizations could undertake similar tasks.

Critics of the economic model forget the peasant organizations for social struggle and mourn for the old agrarian reform associations, peasant cooperatives and other types of collective land exploitation.

Once more it is necessary to distinguish between the agricultural sector and the rural sector. The former will need union activity and all forms of land exploitation corresponding to an industrialized agriculture, open to the market and leading to large production through modern methods. It is possible that former collective land

exploitation schemes have not returned because of their notorious inefficiency, but labor negotiations will occur in this sector as in the other production branches.

However, the small estates and the sector of extreme rural poverty are completely different. Anachronistic forms of agrarian exploitation that would aggravate the problem or social struggle that would not solve the problems of agrarian infrastructure, employment or education and training for the inhabitants of the rural area are not appropriate here. It is always possible to exploit poverty for subversive or anarchistic objectives, but a responsible attitude is to put aside demagogic tendencies and devote oneself to the real solution of the difficult problems of extreme poverty in the rural area.

Road to Development

After the disturbing experience of the agrarian reform and the poorly named crisis of conscience that was imposed on the farmers, blaming them for rural poverty, the country cannot go back.

The less the work in the rural area is infected with politics and ideology and the closer its exploitations are to industrial, rational and high productivity levels, the better it will be for the country. Agriculture will truly serve man, serve all the people in Chile who need food and serve the workers who provide efficient work for agricultural production.

There is no reason now nor should there be to change the features of a model of free economy in the rural area on the pretext that there are poor and unemployed in the sector. On the contrary, although the model does not itself solve the problems of poverty, it will be an excellent aid to increase agricultural productivity.

Without hurting the developmental role of private property and the forces of the market, it seems urgent to outline a plan to fight rural poverty using large-scale public and private resources.

Rural poverty is a problem for Chile and all its inhabitants; it is an even greater problem in most other Latin American countries. Nations with more resources than ours and, at times, with higher rates of growth suffer from rural poverty. This is no reason not to fight for the fastest solution possible to our problem but it should at least moderate the demagogic criticism which, using the serious situation of the poor, does not attack the true reality of the evil but returns to political statements disproved by reality.

7717

CSO: 3010

POPE SAID TO BACK BISHOPS' CONCERN FOR MISSING PERSONS

Santiago HOY in Spanish 31 Oct 79 p 5

[Editorial by Emilio Filippi: "The Theologians of Materialism"]

[Text] No one doubts that there has been a very serious distortion of fundamental values in Chile. The reigning materialism, which forces us to live in the midst of the worship of money and with appetites born of greed, opens the way also to the belief that the only thing that counts is the possession of wealth or the influence it brings.

The most essential human rights have given way to the sacrosanct cult of property, while personal virtues are measured by the quadrant of success or by the uncritical acceptance of such ideas.

For this reason, it does not seem strange that when the ecclesiastical authorities speak in fulfillment of their evangelical mission, their words are analyzed according to the criteria of convenience. If, for example, the bishops ask for solidarity, respect for human rights and social justice, or advocate the need to hear the clamor of the needy with reference to Chile, they will receive a broadside of unfavorable comments. They will be discredited by the accusation that they are "making politics" and, in one way or another, they will be told that priests should not depart from their specifically ritual functions. If, on the other hand, such episcopal demands refer to the socialist countries and others of "liberal democracy," then it will be called a just criticism and will be held up as an example.

On the other hand, new theologians have come forth here, who point out to the bishops what they should or should not say, or bold impresarios become "ecclesiastical authorities" and seek to impede the social teaching power of the Church, convinced, and rightly so, that their attacks on the prelates and their unwonted references to the duties thereof will find generous welcome in official circles or in most of the communications media.

A welcome, for example, which was not found in the Pope's speech to the Organization of American States when he urged the countries of the continent --"interfering in political affairs," naturally--to stop the arms race on

the one hand and to increase citizen participation in the nation's decisions, on the other. Nor was there anywhere a clear reference to the fact that "there is a basic principle in the thinking of the Church that social organization must be in the service of man and not vice versa," and no unusual circumstance "could ever justify an attack on the inviolable dignity of the human person and on the authentic rights which protect his dignity."

The Pope was very precise in pointing out: "If certain ideologies and certain ways of interpreting legitimate concern for national security result in subjugating man and his rights and dignity to the state, they cease, in the same measure, to be human, and it would be impossible to reconcile them with a Christian content without great deception."

Is this undue interference by the Pope in political matters? Is there much difference between these words and what the Chilean bishops have been saying in our country for a long time?

In addition, if at some moment of history episcopal interference in certain matters has been more intense, this is because the need of the moment forced the action more earnestly. This is what Pope John Paul II himself explained, after emphasizing that the center of every political work must always be man.

Again, speaking in St Peter's Square, he reiterated respect for human rights and specifically mentioned our country, referring to the case of the prisoners who have disappeared. So the concern of the Chilean bishops about this matter is not "an interference in politics," as certain sectors like to pretend, but the living expression of the Pope's thought. Because, and this is forgotten by the divisive propaganda which is exhibited so profusely on television, the teaching power of the Church passes through the bishops, as Pope John Paul II has so concisely put it, and, as we know, none of those who object to the Chilean Church's "line" has any episcopal title to do so.

8735

CSO: 3010

MINISTER OUTLINES GOVERNMENT'S AGRICULTURE POLICY AIMS

Santiago EL MERCURIO in Spanish 13 Nov 79 p D 1

[Text] In his speech marking the opening of the Santiago Industrial Fair (FISA) the minister of agriculture reported on the progress of this sector. His report contained many facts heretofore unknown to most of the public, and in the last few days the mass media have commented extensively on them. Just last week in this column we analyzed the minister's evaluation; he did not avoid controversial subjects, nor did he hide serious problems that still exist in the agricultural sector.

Now we will comment on matters related to the future work that will be done under the agriculture policy in order to further strengthen this sector, one of the mainstays of the government's social and economic development strategy.

There has been intense debate on the regulations designed to fortify an agricultural sector based on private property, an integral part of an open and competitive economy. Many conflicting opinions have been expressed, but the debate has reflected the importance of this sector in the national economy.

In recent years, our economic policy has resulted in drastic changes in agriculture, in accordance with the general model. However, we have never lost sight of the need to help the most disadvantaged farmers.

Promotion of National Production and Agricultural Technology

On many occasions the government has stated that it will maintain a clear and firm policy of promoting the development of national production. It has especially stressed the growth and dissemination of modern agricultural technology.

With this goal in mind, the agricultural policy has ceased protecting inefficient sectors and encouraging the production of goods for which the country has no comparative advantage with respect to the rest of the world. It has also stimulated research, extension programs and modern technology, through the Institute for Agricultural Research and the provincial agricultural engineers of the Agrarian Reform Training and Research Institute (ICIRA), both of which serve as a true liaison between research and production.

In addition, the ministry is trying to lay the legal, administrative and technical groundwork for a modern agricultural sector in the hands of individual entrepreneurs. Most of the production and the technological advances are to remain in the hands of progressive farmers and their independent organizations.

From now on, the main emphasis of the Ministry of Agriculture will lie in the modernization of the poorest rural areas; that is, in the struggle against extreme rural poverty. The government will never repudiate its role as defender of the common good, but its political and social policy calls for entrusting agriculture to farmers, ensuring that those farmers who fall behind shall be given the advantages and shall share in the efforts of productive life.

Future Tasks

In the coming months the Ministry of Agriculture will stress its action in enforcing the new decree laws, and bringing the ministry and its subsidiary agencies in line with the current situation.

The modernization of agricultural legislation has continued, for which purpose draft decree laws such as the new Water Code have been drawn up. The latter is now being reviewed and analyzed by the other ministries that comprise the National Irrigation Commission, and by the Ministry of Justice. The new Plant, Pesticide and Fertilizer Safety Act, which is now at the legislative stage; the draft decree law that will restructure the Agricultural Research Institute (INIA) to make it more modern and dynamic, and is also in the legislative stage; and the law to further simplify the distribution of agricultural land, also in the legislative stage, all are examples of this modernization legislation.

Finally, two socially important legal initiatives are in the final stages in the legislative committees: a draft decree law which would simplify the procedures for drawing up mortgages and guarantees, and another bill that would regulate the sale of assigned properties.

These two laws will provide new support for small farmers.

With regard to the updating of the ministry and its agencies, the modernization and reorganization process is continuing. On 31 December of this year the Agricultural Planning Office (ODEPA), successor to the Agrarian Reform Corporation (CORA), will cease operations, and a new office will be set up in the Agriculture-Livestock Service (SAG) in order to finish up the last uncompleted business.

This ministry will increasingly stress activities in the areas that need it the most; that is, in the technical and social aspects.

Concerning the first activity mentioned, protection against and control of diseases and pests will be stepped up, and top priority will be given to research and technology transfer.

With regard to the social area, support for small farmers through technical assistance and credits will be expanded.

The Ministry of Agriculture believes that with all the measures adopted since the beginning of this administration, the medium-farm sector is now in a position to expand its development and work the fields without direct help from the government.

On the other hand, there is an urgent need to increase aid to the minifundio sector. Because of its cultural, social and economic situation, this sector has traditionally fallen prey to extreme poverty. As a result, it threatens the solidarity of all Chileans.

Conclusion

At present new plans for action in this area are being studied in order to fortify efforts and cooperate effectively in the social activities undertaken by his excellency the president of the republic.

Finally, we must point out that the current situation in the agricultural sector, as well as the outlook for the future, as reported by the minister of agriculture, are not free from controversy or serious problems. However, the facts reported by the minister are overwhelming, and will undoubtedly spur much debate on the future of the sector, as is only right. Reality has left behind many predictions that were repeated so many times they became accepted truths. Despite those predictions, the present situation proves the strength of the freedom and the applied techniques apparent in this field, along with the necessary complement of government action aimed at rectifying social inequalities.

8926

CSO: 3010

ITALIAN OBSERVER SEES CDR AS PEOPLE'S SPY SYSTEM

Milan IL GIORNALE NUOVO in Italian 23 Oct 79 p 5

[Article by correspondent Fernando Mezzetti: "I Baptize Thee in the Name of Fidel"]

[Text] Havana--Instead of the signs on the stores in the streets of Havana disappearing with rationing, there is an abundance of signs but all referring to the Committees for the Defense of the Revolution. These committees, which in everyday Cuban language are indicated simply with the acronym, CDR, are, as their statute says, "a people's organization, autonomous, whose ranks include Cuban citizens more than 14 years old, provided they possess the necessary requirements, accept the principles established by those same statutes and ask voluntarily to become a member."

In actuality, the entire Cuban population more than 14 years of age belongs to the organization.

"We have 5,150,000 members," Felipe Velasco, member of the National Executive Secretariat, asserts. Considering that Cuba has 9 million inhabitants, it can be deduced that all adults, in fact, belong to the CDR; only the children are excluded. They, however, as has already been seen, are enrolled in the "Pioneers."

"We have 80,000 CDR units," Velasco explains. "In the cities there is one unit for every firm, without a specific headquarters but each with someone in charge. However, every block of buildings has a headquarters with which at least 10 units are connected in a like number of firms. Practically speaking, there is a CDR headquarters every 100 meters."

We are at the headquarters of the CDR's National Directorate where Velasco, looking like a sharp propaganda agitator, receives us together with David Duran, member of the National Directorate and official for foreign relations, a man with the honest aspect of a former worker, physically resembling Di Vittorio.

With obvious pleasure, Velasco continues: "In rural areas there is a CDR unit for every 20 dwellings. Our strength lies in the fact that units are to be found wherever there is an adult population."

What the CDR units are doing and what their objectives are is obvious from their designation. But more enlightening are the words with which Fidel inaugurated their founding in September 1960; they are being quoted not through veneration of the individual in question but through regard for the truth and also because their actuality is being continually confirmed with enthusiasm to anyone who requests explanations.

"We shall establish," Fidel said, "a system of collective vigilance, a system of revolutionary vigilance. And we shall see how the lackeys of imperialism will be able to carry on their activities, for, after all, we are to be found throughout the city. There is no building in the city, no block, no house, no quarter in which we are not present. We shall set up in the face of the aggressive campaigns of imperialism a system of collective revolutionary vigilance so that everyone will know the identity and activities of those who live in any given house; what relations they might have with tyranny; to what they are dedicated; whom they visit; in what activities they are engaged."

The CDR statute is based on Castro's words and its essential points, with regard to its objectives, can be summarized as follows: "Carry out its assigned role in the system of the proletarian dictatorship as a mass organization aimed at mobilizing the people in the defense of revolutionary power and in the construction of socialism and communism; strengthen the people's cohesion around the Cuban Communist Party; raise and strengthen the people's ideological political level in the Marxist-Leninist principles and in proletarian internationalism; combat the enemy in all his manifestations maintaining active vigilance on all counterrevolutionary or anti-social activities linked with the enemies of the people."

Here then we have an entire population transformed into a nation of spies, and this explains the enormous adherence to the CDR. Whoever remains outside the organization is automatically considered a political suspect, while being a member also serves as a deterrent; you, neighbor, control and spy on me, but I also control and spy on you.

Almost 20 years after their founding in the politically tense atmosphere of the first stages of the revolution, the CDR has broadened its sphere of activity to other fields while continuing to keep its spirit of revolutionary mobilization alive: CON LA GUARDIA EN ALTO! is significantly the name of their official newspaper, while their headquarters are open day and night, with night shifts standing guard, patrols, fixed points of surveillance.

Even women participate in the night shift guard and patrols. "Strengthen the second shift" (from 0200 to 0500 hours) is urged by CON LA GUARDIA EN ALTO!, stressing the dangers the revolution and socialism are faced with at this time, while on the streets at every 100 meters outside the various headquarters one sees signs such as "Every cederista is a defender of socialist legality!" in which "cederista" stands for member of the CDR.

In reality, it appears that the urgings to strengthen the second shift are due to a very simple fact: in addition to the inconvenience of the schedule, it appears that the second shift is less desired because, unlike the first, it offers meager opportunity for control: at that hour people are already in bed and night life is nonexistent. Much more profitable, particularly as a deterrent and instrument for applying pressure, is the first shift when greater control can be exercised on one's neighbor's habits: whom he has invited to dinner, what is being served (perhaps things in excess of what is being rationed, therefore coming from the black market and which one has the right to expose as activities detrimental to socialist legality).

"Almost 20 years after the beginning of the revolution, whose strength and steadfastness of power seem no longer to be in question," we ask Velasco, "is this vigilance still necessary? Are there still counterrevolutionaries in Cuba?"

Velasco, who knows very well how to speak with the reporter of a nonleftist newspaper, is friendly and pedagogical in his answer.

"The fight against the counterrevolution was and still is the main objective. However, the internal counterrevolution has now been completely eliminated. But we are continuing to exercise revolutionary vigilance precisely in order to eliminate any vestiges of capitalism, overcome any remains of middle-class mentality. Moreover, we are carrying on ideological work, for example, by divulging the party's passwords. We are promoting proletarian internationalism. We are organizing voluntary work. We are supporting the border guard against any infiltration, against any indication of enemy penetration."

"What else are you doing with regard to ideological work?"

"As an example, in every CDR headquarters the members meet once a month to study political material. Considering that we are represented throughout the country, it follows that once a month at least 3 million persons meet to study and delve more deeply into one of Fidel's speeches or a communique from the Central Committee, or express solidarity with Vietnam, Nicaragua and all peoples who are struggling against imperialism, apartheid, Zionism, racism, neocolonialism, Chinese hegemony and exploitation. These are great evidences of civilian and political growth."

In addition to the preceding, the CDR units concern themselves with other things: they assist the state authorities in the field of public health by collaborating in vaccination campaigns, collecting blood donations and promoting initiatives to save energy.

They extend their contribution also to the field of public instruction with a "Popular Parent's School." Naturally, it is not possible for ideology to remain absent even in these areas where a mass organization can certainly be useful. And in fact, the CDR units are proud to have promoted the

"exemplary parents' movement": every year each committee evaluates and examines the behavior of parents in the education of their children, in the contribution the parents have made to the children's civilian and political growth in the principles of Marxism-Leninism and proletarian internationalism. And in this manner, we have the names of the "exemplary parents." "Up to now, we have selected 1.4 million parents," Velasco asserts with pride.

There is nothing in one's private life which can remain unknown to the mass organization. On the contrary, there is no such thing as a private life. In fact, one of the CDR's objectives is to abolish it.

"For example," Velasco clarifies, "we do not fight to eliminate the old middle-class mentality which still exists, especially in cities, and because of which people may live in the same house without knowing each other. We want people to live together, make each other's acquaintance, develop friendship in joy and contentment while helping to construct socialism."

With the gradual turning away from Christianity to which Cuban society has been subjected for years (it is not forbidden to be religious; it is simply not looked upon favorably, being in contradiction to the victorious march toward socialism), the CDR has even initiated a new tradition: that of a sort of civilian baptism of the newborn.

When a baby is born, a representative from the area CDR comes to the house accompanied by two Pioneers for the ceremony of enrollment in the registers of births, deaths and marriages. Beneath the unfurled flag, with the two Pioneers who bring flowers to the mother, the CDR representative reads the chapters of the constitution concerned with the education of children and solemnly entreats all present to make the greatest effort to see that the child "lives, grows and develops fully within socialist society, within communist society."

"Among the vestiges of middle-class mentality against which we are fighting," Velasco continues, "there is the damage which might reflect on the families of those who are arrested for violation of socialist legality. In these cases, we have the old middle-class mentality for which the family members experience a sense of shame while the neighbors might simply avoid them. This is how the damage occurs against which we are fighting."

"What do you do?"

"We pay a visit to the family of the one arrested so that it may continue to feel itself a part of socialist society, at the same time making sure that socialist society itself considers that family part of itself, without prejudice of any kind."

Here we come to the final touch of the CDR's admirable activity. This last one in particular would appear worthy of the San Vincenzo Ladies of Charity, whereas it is a question of something completely different. The

CDR visit to the family of the one arrested to have it continue to feel part of socialist society is, in fact, handled in a manner which is completely different from a benevolent visit: "Your relative has violated socialist legality and has been duly arrested; but we still consider you a good communist; and you yourself consider yourself a good communist, right?"

In practice, everything then becomes the institutionalization of the repudiation of arrested relatives in order to be still considered good communists.

It is the touch of Caribbean fantasy which is improving the Soviet system on which Cuba is modeled. But, after all, the CDR units have reached a point of refinement which was not even achieved by Stalin: he had to be content with the work of his police, whereas Castro has changed every citizen into a spy; and while Stalin, having people arrested, gave the relatives of the guilty parties the atonement of allegedly hating them, here it is entirely different. Gratitude and recognition are required of the families of the victims. One is not even free to cry.

8568

CSO: 3104

INFORMATION ON SWISS LOAN TO NATIONAL BANK OF CUBA

Switzerland Grants Loan

Zurich NEUE ZUERCHER ZEITUNG in German 2 Nov 79 p 13

[Article: "Cuba on Swiss Capital Market"]

[Text] (Reuters) Availing itself of a merchant bank consortium which wishes to remain anonymous, the National Bank of Cuba will be floating a bond issue in Switzerland between 19 and 23 November amounting to 30 million Swiss francs and expected to run for 12 years. The variable interest rate will be adjusted at 6-month intervals with the spread above the interbank market rate set at 4 percent. Minimum interest rate and issue price are to be determined later.

The consortium in question, it has been learned, is the enterprising Geneva banking house of Gutzwiller, Kurz, Bungere, which opened the doors of the Swiss capital market to the Polish Export Bank, among others. Also, the announcement of the Cuban loan really came as no surprise; the bond issue had been set earlier, but was postponed following the Cuban "mini-crisis" in September. The present loan, it is said, is the first foreign loan ever for Cuba. The National Bank plays a dual role in Cuba, that of central bank and of a commercial bank as well. One may assume that the Geneva bank has given careful consideration to what it is doing. Chances are that the loan is fully subscribed or nearly so, as was apparently the case in the Polish deal. The Swiss National Bank, which under Article 8 of the federal banking law is responsible for granting the permission to extend foreign loans, seems only to have passed on the merits of the monetary aspects of this capital export transaction. Without a doubt, it is not incumbent upon the National Bank, Reuters adds, "to protect the investor from making foolish mistakes, i.e., to warn against debtors who are somewhat less than trustworthy. The National Bank, in fact, is not responsible for examining the security of a given investment (Paragraph 3 of the above-mentioned article of the law).

It appears that Bern, i.e., the Swiss Foreign Ministry, gave its blessings to the Cuban loan some time ago. According to Reuters, the argument was that the Swiss capital market, in compliance with liberal economic practice, was open to any debtor capable of securing the services of a consortium

willing to issue the bonds and of finding investors willing to subscribe. Leaving aside the question of whether a Cuba loan is really desirable or not in this country--the statement by the ministry concerned is worth noting, to say the least. Because it does seem as though the liberal practices are not being administered anywhere near as liberally by the ministry as Bern would like to make believe. In dealings with certain countries in southern Africa, it is said, Switzerland has established loan ceilings; and some countries in the Far East and in South America are faced with far more formidable obstacles than Cuba, if they wish to enter the Swiss capital market.

Swiss Loan Canceled

Paris LE MONDE in French 10 Nov 79 p 40

[Text] The loan of 30 million Swiss francs that the National Bank of Cuba was to obtain in Switzerland has been canceled, it was announced on 8 November by the head of the lending authority, the Zurich financial firm of Singer and Friedlander. The decision was made in accord with the borrower, following criticism of a political nature that arose in Switzerland concerning the transaction. Swiss banking circles had protested [the loan], saying that if Swiss authorities authorized a Swiss loan to Cuba, they should not limit the amounts of loans to other countries, such as South Africa. This loan was to have been the first public loan obtained abroad by Cuba.

CSO: 3100

NEW EXPLOSIVE USES MOLASSES, DOMESTIC COMPONENTS

Havana JUVENTUD REBELDE in Spanish 18 Oct 79 p 1

[Article by Osvaldo Ridriguez]

[Text] This explosive mixture is the first composed of national raw materials. Its cost is 9 or 10 times less than the cheapest explosive purchased on the world market.

The explosive mixture which was invented by a Cuban expert, Miguel Martinez, is the first obtained from Cuban components. Its use will assure the country a significant savings in foreign exchange, as products of this kind are imported annually in large quantities.

The invention also guarantees greater utilization of explosives in the construction of canals for irrigation and drainage, land clearing and quarries. The new product which is called Nicromiel contains among its components final sugarcane molasses and other raw materials, all of national manufacture.

One of its great advantages is the fact that it does not use any petroleum derivatives, the principal cause of the price increases of these products on the world market. For that reason, its cost is 9 or 10 times less than the cheapest explosive sold in the world.

Another characteristic of the mixture is that it is much safer to handle, as it is not inflammable and only reacts when a primer--dynamite--is used.

Miguel started to work with those substances during the civil war to produce homemade bombs and for that reason was imprisoned on the Isle de Pines until the victory of the revolution in 1959 when he was freed. Since then, he has devoted his knowledge to the construction of socialism. He also served as a sapper in the international assistance provided to the Republic of Angola.

Several tests of the explosive have already been made with magnificent results, including the fact that the explosive force is greater than calculated. This was noted in the pulverizing of rocks.

Nitromiel was tested using the final molasses of the sugar beet, with the same results. This opens broad possibilities for the production of Nitromiel using both methods.

Recently at the Managuaco, Sancti Spiritus, livestock enterprise, a demonstration was given of the use of Nitromiel for land-clearing and construction work of the Ministry of Agriculture.

The explosive was first used on a tree which was 2 meters in diameter that would have taken 8 hours of work with a bulldozer to fell it, with the risk of equipment breakdowns and the resulting repair costs. However, with 70 kilograms of the explosive, at a cost of 16 pesos, the tree was reduced to splinters. It was said that half the explosive could have been used with this technique.

A drainage channel was also excavated which was 40 meters long, 10 meters wide at the mouth and 1.8 meters deep. The explosive moved 600 cubic meters of earth at a total cost of about 90 pesos. To do the same job, an excavating machine would have had to work 4 days, and it would have cost more than 400 pesos.

Eddy Gallo, from the Sancti Spiritus provincial land-clearing and construction enterprise, told JUVENTUD REBELDE that with Nitromiel a serious problem in the northern part of the province will be solved. At that location it is only possible to work with equipment 4 months a year, as the rest of the time there are torrential rains. "Now, working with explosives in a short time, we will be able to complete the drainage project in the sugarcane areas of that region and at a lesser cost," he said.

An industrial mixing plant is being installed in Havana to produce Nitromiel; however, its easy process will permit its production anywhere in the country where raw materials exist.

8143

CSO: 3010

OCEANGOING MERCHANT FLEET TONNAGE RISES

Havana GRANMA in Spanish 19 Oct 79 p 1

[Article by Emilio del Barrio Menendez]

[Text] The Cuban oceangoing fleet, which is operated by the Mambisa Navigation Enterprise (ENM), now has 63 ships with a cumulative deadweight of 787,117 tons.

Compared to 1959, this fleet has increased more than 1,300 percent. As for cargo capacity, this has experienced an annual growth rate of 41,800 tons.

The ENM operates vessels of various classes: general freighters, container carriers, grain ships, refrigerated vessels and training ships.

In 1978, the merchant vessels of this enterprise, specializing in international traffic, transported more than 2 million tons, which is the highest figure attained up to now.

At present, three 15,000-ton deadweight ships are in various stages of completion, all of which are in Spanish shipyards; they will soon join the ENM. With these ships, the deadweight will total 826,117 tons and the number of commercial vessels will be 66.

The investment policy which the Cuban government has been applying in the maritime sector has resulted in an average growth rate of 15.8 percent in the last 20 years, both as regards deadweight and cargo capacity.

The ships purchased by the ENM are large tonnage vessels which have the most modern propulsion and navigation equipment. Many Cuban ships are very highly automated.

To cite one example of how the ENM fleet has grown, we might refer to refrigerated ships: in 1959, the fleet had a capacity of 1,900 cubic meters; today, the fleet specializing in this kind of transportation has a capacity of hundreds of thousands of cubic meters.

Among the ships with a high level of technology, let us cite the "Sandino." This ship has a computer on its bridge which is tied into an anticollision radar, automatic pilot, gyroscope, log line and a satellite navigation system.

The use of this automatic complex permits determination of the ship's position with maximum exactitude and automates the navigation processes.

Some ship fitters (owners of the ships) have conducted experiments with similar equipment and have experienced savings in fuel by remaining at sea a shorter period and by having equipment which determines the time of arrival in ports.

In the experiments conducted, economies of 12 hours—equal to 20 tons of fuel—on transoceanic trips have been attained.

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CSO: 3010

NEW FILM DEPICTS NAVAL TRAINING SHIP ACTIVITIES

Havana JUVENTUD REBELDE in Spanish 25 Oct 79 p 2

[Article by Neysa Ramon]

[Text] Students of the Naval Academy of the Revolutionary Navy (MGR) who are young aficionados of the sea will be able to get an idea of how their classwork will be applied aboard the "Jose Marti" training ship by viewing a documentary film in technicolor, "The Fifth Training Voyage," which will be shown in the near future.

The film's premiere took place last weekend as part of the activities of that training center in the Camilo-Che Day.

"The 30-minute film does not attempt to take up all aspects of life aboard a ship," said the makers of the film, Raul Booz, Omar Hechavarria and Danilo Lejardi, of the FAR's (Revolutionary Armed Forces) Cinematographic Studies Center, "but rather to merely reflect some of them: the training program on the ship and the visit to Rostock, in the GDR, and to Leningrad, in the USSR."

The film depicts living conditions aboard this ship, which was specially built in Denmark for our country and which is the most modern of its kind because of its technical training characteristics, in addition to its dual purpose; i.e., it not only has the capacity to transport 300 persons but also has deadweight of 13,015 tons for cargo. Its average speed is 18 knots, and it can navigate for 16 hours using solely technical devices.

On Board

During training voyages—which are taken by the students as frequently as required by their specialities—not only do the students devote the stipulated time to studies but also to ondeck sports, recreation and

political activities just as if they were on Cuban soil. An example of this is the May First ceremony which took place on board the "Jose Marti," where the midshipmen held a symbolic parade.

For the midshipmen, one of the most important aspects of the training voyages is their firsthand encounters with sailors of socialist countries with whom they fraternize while on shore. What is more, they get to know the territories of sister countries, in this instance those of Rostock and Leningrad, specifically.

There are seven specialities offered at the Naval Academy of the MGR, the equivalent of studies at the high school level. The courses of study are: engineer in navigation, missile and gunnery armament, anti-submarine armament: torpedos, mines and mine countermeasures. All three are command specialities. The technical specialities are: engineer of naval mechanics, naval electronics in radiocommunications and radiotechnical service.

The academy entry age is from 16 to 21 years, and the requirements are: complete an approved preuniversity level of schooling, be male, single and physically fit. After 5 years of study, graduates receive the rank of corvette lieutenant and are placed later, based on their specialties.

Comments by Midshipment

[Question] What do you think of the documentary film you just saw?

[Answer] I liked it very much. It shows the life we lead and the activities we engage in.

[Question] Why did you choose this specialty?

[Answer] Even since I was a little boy I have liked the sea and military discipline. I am attracted by the active, energetic life of the school where we receive very good training (Midshipman Dagoberto Anaya, age 19, a third-year student in missile and gunnery armament).

[Question] And what about you?

[Answer] I think that the picture will help many young men who do not know anything about naval studies when they see how we live. I have taken part in two voyages of this kind. I entered the academy because the life of a mariner has always been to my liking (Midshipman Juan Carlos Viera, age 20, a third-year student in navigational engineering).

[Question] What do you think?

[Answer] It seems to me that the film will motivate preuniversity students when they are selecting a career. The film gives an idea of how our navy is receiving more and more training. I personally took part in this fifth trip and gained much experience, above all in Leningrade where we talked with our Soviet comrades (Midshipman Ileimi Bisset, age 22, a student of navigational engineering).

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CSO: 3010

CIVIL AVIATION PROSPECTS SURVEYED

Havana JUVENTUD REBELDE in Spanish 22 Oct 79 p 1

[Article by Pablo Soroa]

[Text] Guantanamo--The appreciable growth of our civil aviation in the next 5 years, with the acquisition of modern jet planes, many of which are in the country, was emphasized by Commander of the Revolution Guillermo Garcia Fria, member of the Politburo and vice president of the Council of State, at the end of a flight during which three computer centers were opened in this province.

Guillermo Garcia announced that in the next few years the country will have nearly 40 turbojets, that we already have 5 IL-62-s, of Soviet manufacture, and will receive others in 1980.

He also mentioned the purchase of four Yak-42 aircraft (from 80 to 100 seats) from this sister country, which in the future will have a great impact on flights within the country.

Other subjects discussed during his talk with journalists included: transmitters obtained to eliminate so-called skip zones (areas skipped over by television and radio signals) throughout the country and a radio-broadcasting project by means of which television signals are already being beamed to all of the southern part of the Sierra Maestra.

Reviewing the prerevolutionary situation, he said there had always been talk about the historical underdevelopment of Guantanamo; however, today it is on the verge of becoming a province as rich agriculturally as any other in the country. He enumerated factors such as the increased fertility of the province's soil, the amount of dam water and the various agricultural plans being successfully carried out.

He explained that, although it has not experienced as rapid development as other provinces, Guantanamo has progressed a great deal. Examples of this are the Juan Marinello polygraphic combine and the smelting of gray and malleable iron which will be implemented next year.

He emphasized that the development of the province will depend basically upon the country's development but above all upon what it is capable of doing.

He pointed out that the past sugarcane harvest in the province reached yields in excess of 70,000 arrobas of cane per caballeria and that only 3 years ago this figure vacillated between 28,000 and 30,000 arrobas.

He emphasized the upswing in the province, not only in coffee production, but also in the sugarcane pulping operation, and said, "The sugarcane harvest you brought in this year is unmatched by any other." After mentioning the need for increasing coffee production throughout the country because of the high prices for coffee beans on the world market, he then talked about the work done here in construction, about plans for irrigation and dams and minidams.

Guillermo Garcia reported that the national railway in its first stage will run to Santiago de Cuba but that in the second stage it will have a trunk line which will link the central express line with Guantanamo. He said that in 1981 work will be done here on reconstruction of the central line for high speeds and on the continuing maintenance of the secondary line.

Then he referred to the effort being exerted to finish the stretch of the Guantanamo-Dos Cominos de San Luis superhighway, "one of this province's giant projects."

"The coaxial cable," he said, "is a project of extraordinary value. It is the cable which will give Guantanamo the fundamental thrust in communications and should reach here in the first 2 years of the next 5-year period. Computer centers are now being erected which will have no real use until the coaxial cable is in place and there is a link up with the center of the country." He then concluded: "The superhighway, high-speed railway, coaxial cable and electricity are elements which impact on a country's development and, of course, that of a province. These will be materialized in the next 5 years."

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CSO: 3010

BRIEFS

EXILE KILLING IN NEW JERSEY--Rosendo Canto, director of House of Cuba in Madrid, has condemned in Havana the murder of Eulalio Negrín, representative of the Cuban community abroad, who died in New Jersey as a result of a terrorist attack. In statements to the national and foreign press, Canto asserted that such attacks will not frighten the members of the Committee of 75 and that the family reunification process would continue. He said Negrín was victim of the inherent violence of an industrialized Sicily [as received, presumably society]. He was referring to the United States. He also condemned the inaction of the FBI in the face of such manifestations of cruelty and misdeed. He explained that Negrín had requested FBI help due to death threats and he obtained no protection. On the contrary, there is tolerance of crime. [as heard] After noting that violence and terrorism began as a result of the dialog between representatives of the community abroad and Cuban President Fidel Castro, Canto recalled the bombing attacks against the Cuban UN Mission and the slaying of Muniz Varela in San Juan, Puerto Rico, and that terrorists shot at Reverend Espinosa who had participated in the dialog. Lastly, Canto reiterated that the Committee of 75 would not be frightened and he added: We are prepared to accept this challenge of terrorism and cowardice and continue working to reunite Cuban families. [Text] [FL271134 Havana Domestic Service in Spanish 1100 GMT 27 Nov 79 FL]

WORLD ECONOMIC RESEARCH CENTER--Last night Carlos Rafael Rodríguez, member of the Politburo and vice president of the councils of state and ministers, attended the reception held on the occasion of the establishment of the World Economy Research Center. The ceremony was also attended by Lionel Soto, member of the secretariat, Santiago Riera, president of the Cuban State Committee for Prices, and Raul Leon, president of the Cuban National Bank, and other leaders and diplomats accredited to our country. The guests were received by Oscar Pino Santos, director of this new economic and social institution and Osvaldo Martínez, deputy director, and other national colleagues. Economists and experts from various state organizations dealing with international economic relations were also present. [Text] [FL1846 Havana Domestic Television Service in Spanish 1800 GMT 27 Nov 79 FL]

DELEGATES VISIT PRISONS--The delegates and guests to the first international symposium of penal systems sponsored by the Interior Ministry early this morning began a tour of various penal institutions, schools and hospitals in Havana City. The first place they visited was the Combinado del Este prison where they observed its organization and the installations of the prefabricated elements plant that operates there. They later visited the Claudio Figueredo Rabelo National Prisons School which trains members of the Interior Ministry in the specialty of juridical sciences middle level technician. The prison in Guanajay also was visited by the delegates and guests to the symposium. Convicts at that prison are serving long sentences and, at the same time, they work in a hardware articles and metal containers plant. They also visited the Havana psychiatric hospital where hospital director Dr Bernabe Ordza welcomed them and showed them the hospital's wards and workplaces. The patients offered them an artistic show. At this time, the delegates to the first international symposium on penal systems are visiting the Lenin Vocational School. [Text] [FL240020 Havana Domestic Service in Spanish 0000 GMT 24 Nov 79 FL]

IMPORT, EXPORT WORK EFFICIENCY--A primary foreign exchange savings task is to make 1980 the most efficient year of all in the operation of the port-transportation-internal economy chain by drafting detailed plans for the exportation of each product, especially sugar and molasses. The latter are selling at high prices on the international market. This statement has been made by Guillermo Garcia, member of the party Politburo and vice president of the councils of state and ministers, at the second plenum of the committee for the system of transportation of general import and export cargo. The plenum was held in Havana. Party secretariat Jorge Risqueti; Faustino Perez, chief of the [council of ministers] local people's government organs' office of the council of ministers executive committee, Transportation Minister Antonio Enrique Lussan, Light Industry Ministry Nora Frometa and Public Health Minister Jose A. Gutierrez Muniz attended the meeting. The committee, founded almost a year ago, is examining the need to create a legal base to regulate all work related to the aforementioned chain, insuring that all its components function in such a manner that demurrage costs are reduced. As a primary task, it seeks to improve the organization of labor and wages, especially in the ports, standardization and pay based on productivity wherever feasible. [Text] [FL281118 Havana Domestic Service in Spanish 1100 GMT 28 Nov 79 FL]

WREATH LAYING CEREMONY--With the laying of a floral wreath at the Granma Memorial the ceremony marking the start of the week honoring the Revolutionary Armed Forces [FAR] opened this morning in this capital. A large group of pioneers and FAR members attended the ceremony. Presiding at the event were Luis Orlando Dominguez, member of the PCC Central Committee and first secretary of the Union of Young Communists [UJC]; Col William Galvez, chief of the patriotic-military work group; and Col Manuel Penado, first deputy chief of the FAR political central directorate. Pioneer (Yamila) Castillo read the notice announcing the "friends of the FAR" literary contest, UJC Second Secretary Francisco Garcia Ferrer made the closing remarks. [Excerpt] [FL270141 Havana Domestic Television Service in Spanish 0100 GMT 27 Nov 79 FL]

CDR REVIEW MEETING--Julio Camacho Aguilera, member of the party secretariat and party first secretary in Havana City, yesterday chaired a review meeting of the CDR in Havana City Province. Jorge Lezcano Perez, member of the party Central Committee and of the Council of State and national coordinator of the CDR, attended the meeting. During discussion of the main report, which was approved unanimously, Camacho Aguilera referred to ties that must exist between the CDR and work places to maintain systematic information on the work of CDR members and cadres. He pointed out that the CDR has undertaken work aimed at making Havana a beautiful city. [FL261250 Havana Domestic Service in Spanish 1100 GMT 26 Nov 79 FL]

YOUTH TECHNICAL BRIGADES--Pedro Miret Pireto, member of the PCC Central Committee Politburo, has made the closing remarks at the fourth National Conference of Youth Technical Brigades, which has been meeting since this past Sunday in our capital. In his remarks he extensively reviewed the positions of the working committees at this meeting and he expressed his congratulations on behalf of the PCC for the work done by the fourth conference of youth technical brigades. Each president of the six committees of this national meeting read their final statements, which were unanimously approved by the attending delegates. Presiding over this meeting were Jose Ramon Machado Ventura, member of the Politburo, and other leaders of the PCC, the Union of Young Communists (UJC), and officials from various economic, scientific and cultural organizations in the country. [Text] [FL272208 Havana Domestic Service in Spanish 2102 GMT 27 Nov 79 FL]

TUPOLEV TEST FLIGHT--Santiago de Cuba (AIN)--A TU-154 from the Soviet commercial aviation sector arrived on a test flight at the Antonio Maceo International Airport in this city, where Commander of the Revolution Guillermo Garcia, member of the party Politburo, greeted its crew. The triturbomotor, long-range plane with a 144-passenger capacity belongs to AEROFLOT and was leased temporarily to the Cuban Aviation Enterprise, which ordered the required tests to determine its operating suitability for specified airports of the country. This enterprise has the possibility of purchasing this kind of aircraft for national routes and some international flights. The airplane, which previously had flown to Holguin, can fly at altitudes of 9,000 to 12,000 meters at speeds of 850 to 900 kilometers per hour. The plane requires a crew of only a captain, copilot and flight engineer. Guillermo Garcia was accompanied by Jose Ramon Balaguer, member of the party's Central Committee and first secretary of the province. The following persons also flew in the aircraft: Antonio Enrique Lussan, member of the Central Committee and minister of transportation; Argimiro Ojeda, vice minister of the same ministry, and AEROFLOT representatives. [Text] [Havana GRANMA in Spanish 24 Oct 79 p 1] 8143

AGRICULTURAL COOPERATIVES INCREASE--The number of agricultural-livestock production cooperatives (CPA) established throughout the country increased to 608, as of 20 October, it was learned yesterday at the headquarters of

the National Association of Small Farmers. Thus far this year 247 CPAs have been set up; i.e., 17 more than all of last year. The area covered by the CPAs up to now is in excess of 7,000 caballerias on which there are 14,579 members. The province of Pinar del Rio, with 119 CPAs, leads the cooperative movement in the rural sector, followed by Villa Clara, with 92; Holguin, with 57; and Ciego de Avila, with 33. As for crops, tobacco plantations are cominant with 194; sugarcane plantations, 181; staple foods and vegetables, 114; and coffee plantation, 56, as the principal categories. [Text] [Havana GRANMA in Spanish 24 Oct 79 p 1] 8143

SOVIET HURRICANE STUDY AGREEMENT--This afternoon, the State Committee for Hydrometeorology and Environmental Control of the Soviet Union and the Academy of Sciences of Cuba (ACC) will sign a cooperation agreement for 1980 in the Bolivar Room of the Academy. This agreement will be signed for Cuba by Tirso W. Saenz, first vice president of the ACC, while the Soviet side will be represented by Prof Yuri Sedunov, first vice president of the State Committee for Hydrometeorology and Environmental Control. The signing of this cooperation agreement involves, among other things: research on tropical hurricanes, research on the active influence of such hurricanes on the clouds, exchange of experts for cooperation and training activities, and exchange of scientific information. [Text] [Havana JUVENTUD REBELDE in Spanish 19 Oct 79 p 1] 8143

CSO: 3010

BRIEFS

OIL DEPOSIT ESTIMATES--According to natural resources Minister Mauricio Davalos, Ecuador's proven developed oil reserves as of 1 January 1979 amounted to 1,052,000 barrels [as heard], while proven and probable primary reserves together amounted to 1.3 billion barrels. He has asked the Ecuadorean State Petroleum Corporation to conduct studies aimed at stimulating the exploration of new areas. However, he said that for the time being there is no need to contract a consulting company to conduct studies on the deposits or to estimate their reserves since this was done in the past merely because there were not enough national technicians and experts in this field. [Quito Voz de Los Andes in Spanish 1730 GMT 3 Dec 79 PA]

CSO: 3010

ARTICLE PONDERES POTENTIAL FOR CHANGE UNDER NEW RULERS

Madrid EL PAIS in Spanish 7, 8 Nov 79

[Article by Luis Maranon: "El Salvador: End of a Military Regime?"]

[Part I: 7 Nov 79, p 4]

[Text] Although the conquest of the small Salvadoran nation is attributed to Pedro de Alvarado in 1524, the first Spaniard to see its narrow and volcanic landscape was Andres Nino who arrived in the Gulf of Fonseca in 1523. On its perimeters lived the Nahuatl, Maya, Toltec and Pipil Indians who migrated here from Mexico and Guatemala and farmed the fields, cliffs and mountains. These dynamic and hardworking Indians were inherited by the conquistadores and they continued to cultivate the old Hamacas Valley despite the frequent earthquakes and constant erosion. Crossbreeding was so complete that today whites comprise only 10 percent of the population, Indians 5 percent and mestizos 85 percent. Thanks to the work of the criollos, in 1821 El Salvador gained its independence from Spain and became part of the Captaincy General of Guatemala. This overpopulated nation--250 inhabitants per block--became a federal republic in 1823 and the military came to power in 1932.

Ancient history interwoven with a single crop economy: from bluing to coffee. The latter was introduced from Honduras in 1840 during a liberal reform period that lasted for 40 years. The single crop economy is a direct result of the struggles started and spread throughout the continent by the large world powers--Great Britain, the United States and Germany--in their efforts to control raw materials. Pro-U.S. sentiment is consolidated in 1911, the year President Araujo is assassinated.

Nevertheless, El Salvador, third ranking coffee producer behind Brazil and Colombia, has not solved its basic problems: Some 2 percent of its population controls 57.5 percent of the land. Annual per capita income is barely \$600. Some 38 percent of the population, which grows at a rate of 3.2 percent, are illiterate. Some 53 percent of the work force are in agriculture which accounts for 33 percent of the Gross Domestic Product and 130,000 people own farms of 1 hectare each. In short and as Joseph Manna correctly reported in the 17 August 1978 FINANCIAL TIMES, "Poverty, hunger and malnutrition are El Salvador's real problems."

What caused this situation? First, the actions of the ruling oligarchy, those 14 families, which today number over 50, educated in the United States, which since independence imposed an inhuman procapitalist system and hired the armed forces to defend its privileges while invoking the dangers of communism. The banks, land, coffee, beer, electricity, cotton, sugar cane are in the hands of the Melendez, Mesa Ayau, Hill Deininger, Garcia-Prieto, Virola, Quinones, Duenos and so forth. Who can forget how the economy was monopolized by the Quinones-Melendez families between 1913 and 1931? The "Tom Thumb of the Americas," as Gabriela Mistral referred to this country, has been manipulated by those clans under the well-paid tutelage of the armed forces whose staffs have selected the presidential candidates to guarantee the continuation of this highly concentrated economic power.

In the Spanish edition of LE MONIE dated 22 September 1979, Rafael Menjivar makes a statement which provides a key to understanding the Salvadoran political process. Here is his remark: "The overthrow of Somoza and the victory of the Sandinists in Nicaragua is an argument with no answer." Although the Salvadoran solution is not comparable to the Nicaraguan one, either in style or substance, the response to the loss of credibility by the Romero government is a military coup on 15 October 1979. The widespread and militant protests from different segments of society which led to the coup in El Salvador provide us with some peculiar profiles: A revolutionary union of the lower classes--workers and peasants. An armed forces divided into extremist factions (those supporting reforms and those favoring a continuation of the status quo). Middle class groups opposing the oligarchy and the Catholic hierarchy also divided into two factions (those defending established institutions and those favoring changes).

Now it is true that events in Nicaragua accelerated the coup against Romero. And the Carter government's complaisance--perhaps because it fears another Cuba--aided the overthrow.

El Salvador's recent history begins in 1931, the year in which the first free elections were held and Arturo Araujo was elected president. But the interests of the United States and the oligarchy did not coincide with those of the new president. The United States' veto is decisive and a coup takes place. Colonel Aguirre is the coup leader. The country is run by a junta and Maximiliano Hernandez Martinez is named president with the approval of the United States.

The military creates its own political party to give the appearance of a formal democracy. In 1935 the Pro-Nation Party is formed with the backing of the government bureaucracy. In 1949 it is replaced by the Revolutionary Party for Democratic Unification (PRUD) which lasted until 1961 when it is replaced by the National Conciliation Party (PCN).

Except for 1948 when an effort was made to implement an agrarian reform program, social legislation was passed and there was a threat of a

progressive constitution, Salvadoran politics are nothing more than a reenforcement of upper middle class interests. Osorio (1950), Lemus (1956), Rivera (1962), Sanchez Hernandez (1967), Molina (1972) and Romero (1977) are the military officers of capitalist tutelage. Nevertheless, the electoral fraud in 1972 and 1977 greatly weakened the system and social unrest increased. No one denies that the elections were won by the National Opposition Union (UNO) whose candidates, Napoleon Duarte and Ernesto Claramount, were forced into exile. The fraud is so flagrant that Washington decides to suspend its military aid. But the military seized power by invoking the communist threat and, in both elections, they followed the same procedure: a coup d'etat.

Although the military republic will be in existence through 1979, the options for change are taking shape as the UNO, a center left conglomerate composed of the Christian Democratic and Social Democratic parties, the National Democratic Union (UDN), the National Revolutionary Movement (MNR), now embraces three guerrilla groups: the ERP /Revolutionary People's Army/, the FPL and the RN /National Resistance/. To open the way for this broad political alternative, they relied on the radical application of the Carter Doctrine. This group is opposed by the 7,130-man armed forces and its parallel organizations--"uncontrolled" and financed by the Defense Ministry--such as the Nationalist Democratic Organization (ORDEN), which claims 50,000 members, the FARO, the Falange, the Christ the King Militia and the White Fighting Union which operates with impunity under a law issued by Romero in 1977 to defend and guarantee public order.

The 4.3 million Salvadorans are, shoulder to shoulder, trying to make a living within their country. El Salvador has a single crop economy (coffee accounts for 62.8 percent of its exports) and manufacturing accounts for only 15 percent of the GDP. The United States, receiving 30 percent of its exports, is its major market.

The 1969 soccer match was the excuse for a ridiculous war that took many lives, led to the expulsion of 100,000 Salvadorans from Honduras and to a break in diplomatic relations which still have not been reestablished. Competition for workers and production are the real causes of the war between Honduras and El Salvador. This conflict demonstrated that the Central American Common Market, created in 1960 in Managua by the General Treaty of Integration and inspired by the 1951 San Salvador Charter, has a weak and unworkable foundation.

Having overcome the effects of the 1975 drought, the Salvadoran economy over the last 2 years has grown at an average rate of 6 percent thanks to the price of coffee on the international market. Inflation stands at 10 percent, but there are indications that it will rise because of the increased cost of imports. The economy's major problem is one of land ownership. There is poor land distribution and the weak 1976 land reform program proposed by President Molina was rejected outright by the oligarchy. The infrastructure programs planned for the 1973-1977 period require substantial international financing and, to date, credits have not been

sufficient (\$899 million). International institutions, both public and private, will provide credits only if there is political stability and a firm determination to undertake structural reforms. At this time, El Salvador does not provide business opportunities and it can only count on its coffee revenues: \$1 billion per year.

/Part II: 8 Nov 79, p 4/

/Text/ Leaving aside outside factors--basically, the overthrow of Somoza and the Carter Doctrine--the military coup in El Salvador was the result of the following causes: The system's inability to solve basic social problems. The Catholic Church's support for complete structural changes and the violent action by leftist revolutionary groups that are clearly supported by the poorest segments of society: the peasants, workers and students.

As far as the first cause is concerned, it is summed up in the dramatic words of Farabundo Guardado, leader of the Popular Revolutionary Bloc (BPR): "Either continue fighting or die of hunger." The economic data presented earlier verify this untenable situation.

As for the Catholic Church, it is important to note that until 1960 it supported the established regime and its vicious practices. As of that date the clergy became more socially aware until in 1968 they received support from the document issued by the Latin American Bishops Conference. The clergy splits. One group backs the theology of liberation and the other, a smaller group, remains faithful to the Tridentine philosophy and expresses its support from the pulpit for the activities of ORDEN and the Christ the King Militia. Marxist principles develop in parishes and churches and San Salvador Archbishop Oscar Romero raises the flag of reform. The spokesman for the conservatives is Pedro Arnoldo Aparicio y Quintanilla, bishop of San Vicente and president of the Salvadoran Bishops Conference. The murder of Father Rutilio Grande and five other priests by the repressive groups makes the schism even wider and provides an incontrovertible base for the backers of reforms and even for those favoring direct action to bring them about.

And lastly, the groups of the extreme left engaged in terrorist activities are numerous and they have adopted Guevara's philosophy of cells. Its inception dates back to the 1954 coup against Jacobo Arbenz in Guatemala. The range of the revolutionary cells is broad: the ERP whose leader, Roque Dalton Garcia, was killed in 1975; the RN; the United Popular Action Front (FAPU); the Salvadoran Revolutionary Party (PRS); the Peasant-Student Coalition (BRP) which claims 50,000 members; the People's Popular Front (FPP); University Action Front (FAU); Select Armed Group of the Masses (GASMAS); Revolutionary Civil Defense (DCR) and the 28 February Popular Leagues (LP28).

At present the clergy and the guerrilla groups' offensive has been restrained by two factors which should not be forgotten: The deep-rooted

anticommunism of the military and of the beneficiaries of capitalism, which has penetrated the middle class, and the weakened state of a few workers unions that have at no time spearheaded nationwide protests. That is why the stronger guerrilla groups, the BRP, the FAPU and the LP28, have agreed to a temporary cessation of their violent acts against the military coup leaders who head the Revolutionary Junta. This truce will be honored, we believe, by the remaining groups if the provisional government responds to the proposals for improving social conditions and commits itself to building a democratic structure for the country with an eye on the March 1980 congressional and 1982 presidential elections. The guerrillas' moratorium is based on an article of the 1962 Constitution, still in effect today, stating: "A change of presidents is indispensable to the continuation of the present form of government. Violation of this principle provides no alternative other than insurrection." The military has consistently ignored the text in favor of dogmatic policy and no dialog.

The Uncertainty of the Salvadoran Model

The recent statements of Colonels Gutierrez and Majano have not convinced the opposition and the extreme left. Saying that "we are supporting past conditions" and "the entire armed forces is in favor of change" and then appointing a highly technocratic and pro-right provisional government has only led to foreign approval, including Chile and the United States, and made the radicals suspicious despite the fact that they are armed.

On the other hand, the efforts of the brutal right, made clear by the National Private Enterprise Association (ANEP) and the Agriculture Front (FARO), to provoke a counterrevolution demonstrate the difficult balance which the Revolutionary Junta must maintain. The Junta's uncertainty and indifference are responsible for the latest incidents: The murder of Lieutenant Castillo, National Guard investigation chief, and the occupation of the Labor, Economy and Planning Ministries and the PRENSA GRAFICA offices which were cleared only after 25 people had been killed. These incidents represent the violent response of the guerrilla organizations which consider the coup to be a continuation of the status quo and seek to bring about profound changes.

The WASHINGTON POST has charged that the action of the coup leaders is unclear and that Carter's support is not very strong. What is more, the POST predicts that if more decisive action, including specific proposals for El Salvador, is not taken there is some danger that a brutal civil war will break out as in Nicaragua. We hope that the countries in a position to exert their influence will pressure, with all the means at their disposal, the Salvadoran domino in the Central American game to solve its crisis by democratic means and to commit itself to ending the political instability and meeting social demands. We hope that the brutal and unjust military republic will be replaced with a democratic system within the shortest possible time. There has been enough blood spilled in El Salvador.

'POLITICAL DIVERGENCES' CITED AS REASON FOR IMPRISONMENTS

Managua EL PUEBLO in Spanish 25 Oct 79 pp 1, 8

[Text] Tuesday at noon the mothers, wives and sisters of imprisoned members of the Workers Front took over the Red Cross offices to call attention of the authorities to the unjust imprisonment of their family members. Yesterday morning the public relations department of the Sandinist People's Army announced that members of the National Directorate of the FSLN [Sandinist National Liberation Front] and other leaders visited the mothers of those arrested to hold a dialog with them and listen to their demands.

The women stated that they wanted their sons freed by speeding up the investigation of their case, at the same time expressing the need to see and speak with them. The authorities promised that this very day at 1100 hours they would be able to see and to be with them at the Central Organization. The women responded by suspending the strike, stating, however that they are not abandoning their stand on freedom just because their sons have already been freed.

The first transfer was made yesterday, but according to reports from authorities in Managua there are 25 prisoners, so it appears there are more who, according to official sources, are in the departments.

The worker-members received their families and the reporters, saying they were in good health owing particularly to the strength of their beliefs, which kept their moral very high. Our reporters, Moises Castillo and Guillermo Cortes, and secretary Carmen Caracas, said that they had given up their fast because of the attitude taken by the FSLN toward the mothers of the prisoners, but that in any case they considered the arrests of themselves and of the rest of the members of the Workers Front to be unjust. Among those arrested was the representative of the Workers Front to the proposed Council of State, Isidro Tellez, who stated that his position was firmly with the interests of the proletariat. He said his arrest and that of the rest of the companeros was in response to a bastard campaign of revolutionary principles which is trying to prevent the workers class

from airing its own point of view about the revolutionary process. Tellez remarked, in regard to the mobilization of workers because of his arrest, that "as long as the bourgeoisie exists, the class struggle will not disappear."

On the other hand, one of the Sandinist Police officers, Mario Flores, when questioned about the reasons for the arrests, stated that they felt forced to do so because of "political divergences."

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HALF OF SOMOZISTS' PROPERTIES YET TO BE IMPOUNDED, OFFICIAL SAYS

Managua BARRICADA in Spanish 1 Nov 79 p 10

[Text] Jose Maria Alvarado, head of the Commission to Control and Assign State Property (COCOABE), told BARRICADA yesterday morning that about 50 percent of Somozist property is yet to be recovered.

Jose Maria said that possibly these properties, particularly dwellings, may be subject to legal proceedings, but certainly they are still under investigation and that is why the report has not been made.

He indicated that the number of vehicles controlled by COCOABE is relatively small, since there are many vehicles in the hands of private individuals and persons who worked for the state which have not been reported.

He emphasized that other methods of recovering those vehicles will be pursued energetically, since it has been announced several times that COCOABE must be notified which property belongs to the people at this time and which should be assigned in accordance with the government's priorities.

Three Offices Established

Alvarado announced that three offices have been established to decentralize the work of the commission. They are the offices of furniture, vehicles and houses, and they will take care of problems in their respective departments.

He went on to say that the census to determine the socio economic status of the various persons who live in the confiscated houses is continuing, and that the rental figure for those houses will be established on the basis of the census results.

Questioned by BARRICADA about the difficulties the commission has had in the reorganization process, he responded that the chief problem has been the administrative disorder it found. "However," he emphasized, "in 20 days of continuous and arduous work we have overcome it, and we are now working at full speed."

The companero maintained that ministries and other state agencies will make their requests for assignments of property and will have to indicate for what program and purpose they are requesting such property. "As for requests for housing by private individuals," he emphasized, "that may be done here at this office."

Vehicles in Poor Condition

Companero Alvarado indicated that the majority of the vehicles recovered are in poor condition, and that for this reason they are making a feasibility study to determine the possibility of establishing a repair shop to recondition the vehicles.

"Again, I am calling upon public and private agencies to report state property which is in their possession, since this will make our work easier and avoid future embarrassing incidents," he stressed.

"If confiscated houses which are occupied are not reported to us, we will consider them unoccupied," Companero Jose Maria Alvarado told BARRICADA in closing.

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LABOR MINISTER DISCUSSES RESULTS OF CUBA TRIP

Managua BARRICADA in Spanish 1 Nov 79 p 5

[BARRICADA interview with Labor Minister Virgilio Godoy in Managua sometime after his 27 October return from Cuba]

[Text] "I had not been in Cuba since the time of their victory, when I went as a special guest of 'Chief,'" Virgilio Godoy, minister of labor, told us, "and even then I sensed a special feeling for the Nicaraguans; but on this last trip, I had the distinct impression that the Cubans truly want to help Nicaragua."

The minister of labor arrived in Managua Saturday after a brief visit to Cuba, where he received offers of help for the sector under his direction.

The most important point of the trip was that they reinforced our criteria.

These criteria are related to the wage policy in Nicaragua.

The problem of economics in many unions is damaging our economy.

This is happening for two reasons. The first, because our economy has been strangled at one and the same time by the effects of the war and structurally by the type of organization which existed here before the victory. If no correlation is established between production and wages, the nominal wage which has been the operating base for claims would lose its value, and we would embark on a program of periodic readjustments which would continue into the future as long as the drive for higher prices is strong. In addition, since the state is the source of more than 60 percent of the employment, it would have repercussions on the available finances of the government, which would have to devote a good part of its resources to meeting demands for higher wages and would not be able to invest in the creation of new jobs. In Cuba they found that the ministry is correct on this point, although it is still not clearly understood here.

[Question] And won't this harm the economy of the worker?

[Answer] This other type of policy consists in persuading the worker that instead of asking for an increase in wages he should seek to have social assistance loans increased, which would translate into an increase in real

wages: medical services, food subsidies and others. In addition, our government is making an effort to keep prices under control.

[Question] What concrete offers did you receive from Cuba?

[Answer] Like other state agencies which have already traveled to Cuba, we received offers of very broad technical assistance. Concretely, the problem in this ministry is that one of the most important divisions is labor health and safety. In Somoza's time, there were two offices in this same building, with one person in each, and that was all there was in the entire country. The two people in charge of this had learned on the job, but they had no theoretical knowledge.

Now then, we have received an offer for the training and specialization of professionals in the two fields: labor medicine and accident prevention. The Cubans are very advanced in these two fields.

We also have an offer to train personnel in various health-related activities: for example, they may study the effects on health of noise, lighting and vibration. We also have the opportunity to send economists, who would specialize in wages. These courses are postgraduate and last between 6 months and 1 year. They have also offered to send specialists to train instructors in the fishing industry and in foundry work. Fishing is a very important activity in our country, surrounded as we are by the sea and having lakes and rivers, and the foundry, because we could manufacture here a large number of spare parts which we now have to import.

[Question] In addition to your activities, did you have any contact with the workers in Cuba?

[Answer] I was able to talk with Roberto Veiga, president of the Central Organization of Cuban Trade Unions, CTC, who told me how important it is to the process that the workers understand that this is their process and that a new society is only constructed with sacrifice and labor. This is not the time to make economic demands, but to contribute. The Cuban workers, through a CTC congress, asked for their wages to be frozen, because they understood that it was their revolution and that they were the ones called upon to defend it.

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RELEASED WORKERS FRONT MEMBERS DISCUSS IMPRISONMENT

Managua EL PUEBLO in Spanish 24 Oct 79 pp 1, 6

[Interview with Workers Front members Moises and Johnny after their release from prison, 23 October]

[Text] The personnel of this paper were very happy to have a visit from two members of the Workers Front who were freed last evening after 25 days in prison. Moises and Johnny, two revolutionary companeros, anti-Somoza soldiers and leaders of the rural work of the Revolutionary Organization of the Workers Front in the western zone, described their 25 days in prison to us.

[Question] Why were you arrested and under what circumstances?

[Answer] We were never accused of anything; we were aware that the police did not know what was going on, because on several occasions we met with some of the companeros who fought with us. The day they arrested us we were in the Union Hall in El Apante, on kilometer 43 of the Leon highway. We were with several peasants when members of the Rural Police came to arrest us without a warrant, which we requested; in addition, there were no charges against us. They explained to us that it was not a question of being arrested, but that they wanted to "talk with us." We were very much impressed, recalled the companeros, that at the time of our arrest the peasants shouted their slogan, "Power to the workers and peasants," along with "vivas" for the Workers Front.

In the confused campaign launched against the Workers Front in that sector, an attempt was made to link this revolutionary organization with Somozism, which it fought on a modest scale because of its resources, but with great patriotic fervor.

[Question] To what prison were you taken?

[Answer] We were captured in El Apante and taken to Villa El Carmen, where we spent 3 days, but one night around 2300 hours they took us to the Santa Rita ranch where we remained for 16 days; then we spent our last 3 days in prison at El Paraiso villa.

[Question] How do you feel you were treated in prison, and what were conditions like inside?

[Answer] The prison situation is what Somozism handed down to us; so it was no surprise to us to find ourselves crowded into cells with scarcely any light and with 13 other men. As for the treatment, it was great; we were treated as revolutionaries. We were given meals and newspapers, including EL PUEBLO, which has maintained its solidarity with all the revolutionaries who were arrested.

[Question] On what was the investigation of which you were the object based?

[Answer] There was no interrogation; we only repeated the Workers Front line, which in a certain manner of speaking is counterrevolutionary. In prison we learned that they want to withdraw the organization from the Council of State, when not even the rank and file are clear about what the problem is.

[Question] Who was in charge of the investigations?

[Answer] The Sandinist Rural Police were in charge of them, and they assured us that we had been taken prisoner under their responsibility after having been investigated, and when there were no charges, they freed us. We want to take this opportunity to say, first, that we are happy to be free, above all because the Marxist truth is above any campaign, and at the same time to thank our companeros from EL PUEBLO who have stuck so resolutely by all the imprisoned revolutionaries, echoing our campaign slogan: "Death to Somozism, freedom to political prisoners."

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NICARAGUA

WORKERS FRONT MEMBER INTERVIEWED ON CURRENT CONDITIONS

Managua EL PUEBLO in Spanish 25 Oct 79 p 6

[Interview with Juan Alberto Henriquez, Workers Front member]

[Text] EL PUEBLO had the opportunity to interview the revolutionary and journalist Juan Alberto Henriquez, who clarified the position of the Workers Front on the campaign that has been unleashed against it.

[Question] After the break-in of the central office of the Workers Front and the arrest of a good number of its members, what is your organization's situation?

[Answer] First of all, I should tell you that for us, Marxist-Leninists, nothing of what happens in a society divided into antagonistic classes seems strange. It would be odd if we had not expected and prepared for this situation. Our organization, in its struggle against Somoziism, and against the various non-proletarian currents which we have opposed, has given our members an ideological position capable of resisting any sort of adversity.

To answer your question specifically, I would say that the Sandinists would like to put us on the sidelines and force us to disappear or to bend to their positions: without any capacity of criticism, without pointing out errors--in other words, they want to depersonalize us as an organization. We are still holding meetings with the workers, with the peasants, and with the popular sectors, now in their workplaces because of the occupation of our office at this time.

We are not going to stop our activity of organization and education in marxism-leninism, the sole and unquestionable guide for proletarian action in the situation of persecution we are living in now and during our harassment by certain sectors of Sandinism, which refuse to recognize our proletarian position and our status as a revolutionary organization that fought against Somozism and which is now guiding the masses toward a government of workers and peasants, making possible the construction of a socialist nation.

In this struggle we are sure we will have the support of the indomitable Nicaraguan people who have shown themselves to be unyielding in the struggle to express themselves, to obtain the right to join organizations that best suit their class interests, because they will not allow any system that does not meet their needs to be imposed on them. The position of the Workers Front is not unlike the situation of the masses. We are being persecuted, and the masses are also being persecuted. We are not allowed freedom of organization; nor does the proletariat have this right. They refuse to talk with us, just as they won't talk with the workers in their unions, with the peasants on their farms, and with the people in the CDS [expansion unknown].

[Question] Dr Sergio Ramirez has said that the Workers Front is counterrevolutionary and therefore it will not take part in the Council of State. What is your position on this?

[Answer] We have already said that some Sandinist leaders want to do away with our organization, but their wishes are one thing, and reality is another. For the enemies of the proletariat, the people are only a way to make money which the ruling classes later take to the bank. They believe the proletariat has no other purpose but to applaud their speeches and to attend in droves any ceremonies that the "geniuses" plan. But we marxist-leninists are fighting not for privileges, not to enjoy bourgeois houses or to be large landowners, not to drive around in the big cars of the ruling class, but for the wellbeing of the masses, so that their problems of food, housing, health, and education can be solved. In other words, we are fighting for the transformation of society and for an end to the exploitation of man by man. Furthermore, it is a firm principle with us to fight in this phase for the formation of councils and mass organizations so that the people as a whole, and not just a few of them, can exercise power.

The reason why we were included in the Council of State is that we were an organization that fought against Somozism. The very same Sandinist leaders who are attacking us today once came to seek our support as allies, because we helped in the struggle fought in the FPN [Nicaraguan Popular Front], and because we have risked our lives in our fight against Somozism. And not just now; we have been doing so for many years. And we never fought to enjoy the privileges of the state or to put ourselves above the masses. We realize that many of the organizations that existed during Somozism have disappeared. We reported this, and pointed out in the formation of the FPN that there were more organizational titles than there was readiness to fight, and that their existence was directly linked to the maneuvering skill of some leaders at that time. But we were represented only by the Workers Front, even though we also had youth groups, popular organizations, etc.

And about the charge that we are office seekers, as someone said, we ask you: which one of us has tried to get mansions and Mercedes Benz?

[Question] What was the response of the FSLN [Sandinist National Liberation Front] to the appeal made by the Workers Front?

[Answer] The workers and peasants are perfectly well aware of the answer we got from some Sandinist leaders: the imprisonment of some of our leaders, activists, friends, and sympathizers; break-ins at our central office, the confiscation of our property that we had in the office, the occupation of our headquarters by elements of the EPS [Popular Sandinist Army], the continuation of the campaign of calumny to such a point that in BARRICADA on Tuesday, 23 October, we were made to look like bourgeois, exploiters, Somozists, etc. All of this is not the way one revolutionary organization should treat another with which it has ideological differences. Our organization has said on more than one occasion that any rigid position could turn a disagreement into antagonism, and this would only favor the bourgeoisie and the imperialists, who always like to fish in troubled waters. Despite all this, our guiding principle is that we must maintain unity with the FSLN against Somozism and imperialist attacks, but this does not mean we will bow to them slavishly.

We are continuing to prepare the ideological, organizational, and political conditions so that the workers and peasants may constantly assume greater political responsibilities, thus

bringing about a government of workers and peasants, who can themselves exercise their own leadership in the factories, farms, in the neighborhoods, and so that the army may become more rational and we may be done with this claim that "we are following orders." All this is a fundamental foundation for the construction of the socialist nation in which the working class itself can drive the chariot of the revolution.

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CSO: 3010

NICARAGUA

WORKERS FRONT PROPERTY SEIZURES BY SANDINISTS DENOUNCED

Managua EL PUEBLO in Spanish 29 Oct 79 p 8

[Text] Leaders of the Workers Front came to our editorial offices to report that members of the EPS [Popular Sandinist Army] had taken away from their offices a good number of books, a motorcycle, several typewriters, two mimeograph machines, and the rest of the furnishings that were there, which had all been paid for by workers who had organized this revolutionary office so that meetings could be held there to help to solve the workers' problems.

The offices of the Workers Front were first raided about 2 weeks ago; at that time 16 members of the organization who were present in the office were arrested, including a young woman, Mirta Espinoza, who is pregnant.

It is still not known where the Workers Front property was taken. It is known only that members of the Popular Sandinist Army were responsible. Leaders of the Workers Front have said that they will demand compensation for what the workers spent on this equipment, since everything there had been paid for by the workers.

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CSO: 3010

NICARAGUA

WORKERS FRONT MEMBERS QUARANTINED, FUMIGATED

Managua EL PUEBLO in Spanish 25 Oct 79 p 6

[Text] About 70 Workers Front members were quarantined by order of the Immigration and Public Health Service. According to reports from chemists, disease control technicians, doctors, and deputies, these "Milpas" had picked up a fungus that is quite widespread and highly contagious.

These contaminated "Milpas" were transferred to a place where they will receive suitable food, since in the treatment and recovery from this disease, an adequate diet is essential.

At the suggestion of the INRENA [National Institute of Natural Resources], top-level environmental health authorities decided to put them all together in one cell and to fumigate them against this disease. Yesterday, when we reporters were allowed to see them, we found that this mysterious fungus keeps those affected by this disease in an advanced state of political idiocy, according to the explanation of a well known pathologist.

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CSO: 3010

NICARAGUA

VISITING MARXIST EDUCATOR VIEWS LITERACY CAMPAIGN

Managua EL PUEBLO in Spanish 24 Oct 79 pp 1, 8

[Text] "If you view education in general and literacy programs in particular as political acts, and if you study them and try to consider their implications in practice, these are excellent means to clarify the meaning of literacy campaigns, by removing from them the mystical content which in my opinion is dangerous."

This statement was made by Paolo Freire, who spoke for 2 hours yesterday with both Nicaraguan reporters and foreign correspondents. The press conference barely gave us time to grasp the vision of Paolo Freire on education; he is perhaps the best known educator in the world. Nonetheless, his words did cut through the idea of a mechanical education based on technical concepts.

Paolo Freire, who had just arrived in Nicaragua, began his discussion by saying: "I make no claim to come to Nicaragua as if I held in my hands the solution to the problem of education." "I am here, especially in the first few days of my visit, to listen and then to try to say how I view the job of education here."

"This is a task that can not be done by the companero minister or the companero vice minister, but one which has to be done by everyone."

Paolo Freire mentioned the opinions of Feuerbach, as quoted by Karl Marx, saying: "The educator himself needs education. The process of re-education is not done by taking technical refresher courses, but by experience which teaches both the mistakes and new advances that have to be made." And he added:

"I start from one principle. Educating adults in a revolutionary and democratic perspective can not be handled as if it were a gift from the rulers. The people must be involved from the beginning. That is the starting point. But if you try to make a "Vademecum" of recipes on how to conduct the program to be used everywhere, it is likely that it will not work. A soccer team or a defense committee may be the cohesive or stimulating element that acts as a starting point. This depends on each particular case. For that reason I say that an educator is a politician and an artist and not a technician."

When asked about how to treat cases of adults who do not want to learn to read, Paolo Freire answered: "I believe these are exceptional cases. But you can't tell these people to accept or go to jail. You can suggest that the person involved come for a group discussion on the issue at night, to see what the reasons behind this refusal are. It is the memory of past education."

Paolo Freire referred often to his experiences in Brazil and more recently in Africa. He said that experiences can not be transplanted without recreating, and he pointed out the danger of mystifying the program. "There is the possibility that the campaign will be seen as a way of getting a job or advancing in a job. You must guard against that from the start. It is not the spread of literacy which creates jobs but rather the transformation of the relations of production. That is why I don't like meaningless semantic discussions."

He also pointed out the danger of mystifying the role that the communications media play in education. While he did recognize that they do have an important role, he said: "We have to avoid the mistake of changin the means and methods into objectives or separating them from the objectives. They have to be related dialectically without any break. Even without knowing very much about your country, I would not advise the use of videotape. You would have to import the materials and the technology, and an ideology would come in afterwards."

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NUNEZ CONFIDENT 1980 WILL BRING POLITICAL NORMALIZATION

Montevideo EL PAIS in Spanish 26 Oct 79 p 10

[Press conference by Interior Minister Gen Manuel J. Nunez in Fray Bentos; date not given]

[Text] Interior Minister Gen Manuel J. Nunez has stated that 1980 will be a key year for the political normalization of the country, that subversion is a latent evil that we can never be certain has disappeared completely and that Uruguay's image overseas has improved.

In a question-and-answer session with press representatives at the close of the inauguration of the new governor of Rio Negro, Col Edison R. Pacheco, the interior minister also referred to the future plebiscite and to the constitution of the republic.

The session in Fray Bentos went as follows:

[Question] Do you feel that 1980 will be a key year for the political normalization of the country?

[Answer] Yes, I think it will.

[Question] Do you feel that way because the final guidelines for the upcoming call for elections will be issued?

[Answer] Correct; that is precisely why.

[Question] And what about the constitution of the republic? When will it be submitted for consideration?

[Answer] The appropriate institutions will let you know about that at the proper time, specifically the Junta of the Commanders-in-Chief along with the president of the republic.

[Question] Could the plebiscite on the constitution be held next year?

[Answer] We have a timetable to follow, and it could possibly include the plebiscite.

[Question] Do you feel that the country is now in a position to undertake a political life?

[Answer] There are various considerations regarding the conditions for a new political life. The Armed Forces made a commitment in August of last year when they disclosed to public opinion their decisions on the restoration and establishment of a new government. Those guidelines are being observed, and I hope that they will continue to be.

Our Image and Subversion

[Question] What can you tell us about the country's image overseas?

[Answer] This is my very personal judgment. I feel that it is improving, because when people came here and saw the facts, they realized all of the lies and distortions that were being told about life here. You can still read today that Uruguay is a torture chamber, that there is blood running through our streets and that people cannot leave, and Uruguayans know quite well that this is perhaps one of the few countries in the Americas or in the world in which a man, woman or child can walk about in total freedom regardless of the time or place.

[Question] Is subversion still active in the country at present?

[Answer] Subversion is a latent evil. It is something which we can never say has been eradicated. You can see it in every country in the world in which it is at work. I feel that in Uruguay it has merely been quelled, reduced, but I have no doubt that there must be some elements at work in the shadows trying to destroy the Uruguayan people's concepts of democracy, happiness and tranquility.

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CSO: 3010

EXILED FAU LEADER COMMENTS ON POLITICAL PRISONERS

Caracas EL NACIONAL in Spanish 5 Nov 79 p 17

[Article by Jose Emilio Castellanos]

[Text] Uruguay has the highest percentage of political prisoners in the world, according to figures supplied by the executive secretary of the Uruguayan Broad Front (FAU), Hugo Villar. According to his statistics, 1 out of 500 citizens is behind bars.

This small South American country currently has fewer than three million inhabitants; more than 500,000 Uruguayans reside overseas in political, economic or social exile.

Separate statistics show that more than 100 persons are missing after being apprehended by state forces of repression, and more than 100 persons have died as a result of torture.

The OAS recently discussed the problem of human rights violations in a number of Latin American countries. Nineteen nations voted to denounce the Uruguayan regime; five abstained, and Uruguay and Paraguay, with a similar regime, voted no.

Villar, who won the Montevideo mayoral election in 1971, is a physician and former director of his country's University Hospital. He lives in exile in Spain and is in Caracas to promote the World Campaign for Amnesty for Political Prisoners in Uruguay, and in particular for the president of FAU, retired Gen Liber Seregni, who has been in prison since July 1973.

General Seregni held major posts in the Uruguayan Army. In 1968 he requested voluntary retirement after the army first moved against a demonstration by the people. He later ran for president of the republic and won the voting in Montevideo.

He was later named president of the FAU by a unanimous vote of all its member organizations.

The FAU comprises dissident (progressive) factions of the two traditional parties (Colorado and Blanco), the Socialist Party, the Communist Party, Christian Democracy, well-known independents, minor Marxist factions and democratic military men, of whom Seregni is the leader.

The False Face of Democratization

A number of military regimes in Latin America have resorted to the "mask" of democratization. The FAU executive secretary says that this is the case in Uruguay.

He states that individual rights are continuously violated, that there is no authorized political or union activity and that guarantees have been suspended since 1973, when the Congress was dissolved.

He then mentioned the false process of democratization, which is designed to confuse world public opinion by means of an alleged three-stage program.

The first stage is the drawing up of a political parties statute and labor union regulations. "This," Villar says, "is rejected by all organizations, because it is an attempt to institutionalize the status quo."

--More than 10,000 citizens belonging to all political parties have had their political rights suspended for 15 years. The ban includes anyone who was a candidate for any elected post.

--All leftist political parties are illegal.

--Parties regarded as similar to or linked with other international organizations, such as the Social Democrat, Christian Democrat, Communist and Socialist parties, are banned.

--The only approved parties are the two traditional ones, the Blanco or National Party and the Colorado Party, but the former has rejected the plan, and the latter is going to as well.

The second stage would be the drafting of a new constitution, which "would institutionalize the fascist regime."

The third stage, announced for 1981, would be elections. Villar claims that this would be a total farce, with a single candidate chosen under an agreement between the Blanco and Colorado parties and with the approval of the Armed Forces.

The Opposition

There is no armed struggle at present in Uruguay, but there is massive popular resistance.

Hugo Viale feels that the government is isolated from all of the lower-income segments of society, political parties and labor organizations. "It has only the support of the the most reactionary oligarchy, a group of families that are in complicity with the transnational corporations."

With regard to the economic and social situation, he states that the government has not succeeded in halting inflation or the flight of capital. It has failed in its bid to boost foreign capital, as only greedy investors came in. Meanwhile, average wages have been cut in half, with a resulting drop in living standards.

In addition, it is faced with opposition from all churches, basically the Catholic and Evangelical churches.

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URUGUAY

REPORT SAYS LESS THAN ONE PERCENT WORK FOR MULTINATIONALS

Montevideo EL PAIS in Spanish 26 Oct 79 p 9

[Text] The assets of 50 multinational corporations operating in Uruguay total more than 500 million new pesos, according to a report in the inter-American economic magazine PROGRESO, which is headed up by our colleague Mariano Grondona.

The report adds that one percent of our country's active population works for the various multinational corporations operating here and that they are involved in a wide range of activities, from the manufacture of toothpastes to the assembly of automotive vehicles. Some 11,000 persons work for the multinationals with offices in our country, which represents 0.4 percent of our total population.

The fields that have been most attractive to multinational corporations in Uruguay have been oil and petrochemicals, the pharmaceutical industry, textile machinery and equipment, foods and soft drinks, office equipment, household appliances and the automotive industry, among others.

Breaking down these categories in order of importance, at the top we find foods and soft drinks, which provides jobs to 3,043 Uruguayan citizens, 29 percent of the labor force of the multinationals, whose assets in this sector total almost \$8 million.

The second largest category is textile industries, which employ 3,000 persons, 28 percent of total multinational employees. Their largest assets are in this sphere, amounting to almost \$12 million.

In third place comes pharmaceutical manufacturing, with a total of 1,136 employees.

The automotive industry is on the way up, with assets of \$10 million and 799 employees. The petroleum and petrochemicals industry employs 336 workers and has assets of \$8 million. Household appliances manufacturing employs 730 workers and has assets of \$7 million.

The industry that yields the greatest profits (50.4 percent of capital) is office equipment, with assets of \$2.5 million and 374 employees. Machinery and equipment presents a very similar case.

In conclusion, the magazine states that the 50 or so multinational corporations operating in Uruguay (not counting banks and finance companies) have assets of 525,246,000 new Uruguayan pesos and capital of 181,517,000 new pesos, which produce earnings of 19,718,000 new pesos, a profit margin of 10.9 percent.

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URUGUAY

SECOND SALTO GRANDE TURBINE TO BEGIN OPERATING DECEMBER

Montevideo LA MANANA in Spanish 29 Oct 79 p 16

[Text] Turbine No 11 at the Salto Grande hydroelectric complex, which was started up for the first time last Saturday the 20th, is scheduled to begin operating during the first 2 weeks of December.

LA MANANA received confirmation of this from the chairman of the Uruguayan Delegation to the Salto Grande Joint Technical Commission, Dr Jorge Echeverria Leunda. He also confirmed that the second turbine, which will be called Casilda, is in proper working order. Testing on it is practically completed so that it can begin generating industrial energy on 15 November and hook up with Uruguayan and Argentine systems during the first 2 weeks of December.

The turbine will supply Buenos Aires and Montevideo directly, and therefore the recently installed 500-kilowatt network, tailored to the Salto Grande complex, will be used, not the so-called coastline network.

Number Three in January

Meanwhile, according to statements by Dr Echeverria Leunda, assembly and adjustment procedures are moving forward normally on the third Kaplan turbine of the seven that will be located in the engine room on the Uruguayan side.

This turbine, No 10, will be ready for testing at the end of the year and could therefore be hooked up to the systems by about mid-January.

Under the terms of the agreed upon treaty, Uruguay will continue to receive 16 percent of the power generated, and thus by late next summer some 65 megawatts will be pumped through our country's power lines.

Progress on Infrastructure

With regard to the infrastructure projects related to the hydro-electric complex, Dr Echeverria Leunda stated that on the one hand they are studying the proposals of the companies that were invited to submit bids for the construction of a police headquarters on the Uruguayan side. In addition, study is under way on financing the almost 13-kilometer long navigation canal and a navigation lock downstream in order to save Salto Chico, a project whose construction time is estimated at 2½ years.

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